THE RISE OF THE AMERICAN PROLETARIAN

BY

AUSTIN LEWIS

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PREFACE

The proletarian is a new factor in American political life. Up to within a very recent period his existence has been denied by statesmen and publicists. In the eyes of the ordinary respectable historian, this phenomenon of the growth of a class, in all respects similar to the European proletarian class, has been ignored. Even where the economic and political activities of this class have provoked a necessary and unavoidable interest, the peculiar aspect of these activities has either been uncomprehended or conveniently neglected. This ostrich tactic is not only foolish but dangerous as well. To ignore facts is the very worst way of meeting them. To ignore the fact of the American proletarian is mere stupidity.

The proletarian class has been born. It is already beginning to find itself. It will soon thoroughly understand the use of its organs. The economic and political efforts made by it will constitute the greater part of the history of the future in this and in all civilized lands.

The object of the following pages is to show briefly the causes of the origin of this proletarian class in the United States and to describe the mode in which it has made its existence manifest up to the present time. This naturally involves a critical estimate, from the proletarian point of view, of the environment in which it has developed. It is perhaps as difficult for the modern proletarian to arrive at an impartial estimate of the value of the capitalist system as it was for a Whig to correctly appreciate the feudal nobility. While antagonisms exist, hostile regards cannot be

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avoided, and to exhibit correctly the modern proletarian it is necessary, also, to make clear his attitude to the force with which he finds himself in antagonism. While the proletarian suffers the anguish of the conditions with which he is oppressed it would be very remarkable if he could view his antagonists with philosophic calm and front the battle with a mind clear of animosity. Desirable as such an attitude might be, it is, in the very nature of things, impossible. Therefore, in any discussion of the proletarian position, the proletarian psychology must also be taken into account.

The introductory chapters are intended as a brief resumé of industrial history. Their purpose is to point out to what extent the American industrialist, proletarian as well as captain of industry, has been indebted to preceding epochs of human history. Given the machine development of the eighteenth century and the factory system, the results have been unavoidable. The course of development in this country has presented no new aspects. It has been more rapid and more intense than in any other, except perhaps Japan, but the broad features of resemblance to that of other countries have been preserved. No form of government has presented any effective barrier to the advances of modern capitalism. Wherever the essential prerequisites of capitalistic growth have been found, the plant has flourished. The economic forces which have produced an ambitious and energetic proletariat in Russia, as far as the modern system has penetrated that country, have also produced a class conscious and ambitious proletariat in the United States. Political forms prove to be merely forms in face of the ceonomic fact. The capitalist becomes master under any political system and President and King are equally his servants. Ouida somewhere remarks that a King is a

fat man who bows well and a President is a fat man who bows badly; the essential point is that they each bow equally to the dominant capitalism. But where capitalism is dominant there the proletarian movement raises its head. In the hour of his triumph and amid the salutes to his victory, the capitalist, had he the powers of perception, might hear the tolling of his passing bell. The imperious demands which change makes upon life cannot be denied, and the young proletariat must in the course of time come to claim its own.

In the meantime, however, the proletariat has to grow up. To the fact of this growth the organs of public expression unanimously testify. With the recognition of this new development there is also mingled a fear—a fear, moreover, which is entirely unfounded. To the timorous and uninitiated bourgeois, which means to the popular journalist and the popular politician, this growth implies the destruction of what he is pleased to term civilization. According to all his gloomy vaticinations art and science, which the modern bourgeois claims to take under his protecting shield, are doomed to extinction at the hands of a brutal and violent working class. There need, however, be no alarm on this score. As Kautsky says: "It is not by the proletariat that modern civilization is threatened. It is those very communists who to-day constitute the safe refuge of arts and science for which they stand in the most decisive manner."

When the course of the proletarian is finally crowned with victory there is no reason to believe that the results of this step in human development will differ from those which have marked its predecessors. On the contrary, the triumph of the proletariat implies the triumph of Humanity over the tyranny of material things.

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THE RISE OF THE AMERICAN PROLETARIAN

CHAPTER I

THE GROWTH OF INDUSTRIAL ORGANIZATION

The commodity presses itself upon our attention directly we begin to examine any problem of social import, that thing made by human labor and offered upon the market for sale, satisfying some human need, elevated or base, and by virtue of its function as a thing desired, challenging other commodities to exchange; thus forming the basis of that intricate and elaborate arrangement which we call commerce, for the protection of which armies and navies are maintained, and in whose name and for whose perpetuation holocausts are sacrificed.

The fight of the modern man equally with the lowest savage is a fight for the possession of these instruments of satisfaction. The difference in kind and in number of commodities is the difference between the modern man and the barbarian, between savagery and civilization.

We may examine this commodity as regards its price—the ratio in which it exchanges at a given time with other commodities—we are then engaged upon a

study of economics. We may study its mode of creation, the processes through which it passes before it reaches the market a finished product. This would be a technical study of the commodity, an examination into what Marx would call the making of the "use value," and then, again, we may eliminate all distinctions of kind in commodities and simply regard them as a whole mass of articles, presented for exchange upon the market, as products of human energy, as the results of human industry.

This last is the purpose which we have set before us—viz., to follow the most marked of the changes which have occurred in the making of things which man has required, without any special study of the processes involved in the making of any particular commodity, except in the cases where a change in the manufacture of a particular commodity, such as that in the manufacture of cotton a hundred and thirty years ago, has been preliminary to a general change in the mode of making commodities of all kinds, and has led to a new form of the organization of industry.

It will be observed that the term industry implies the division of labor, else it were plainly improper to speak of the evolution of industry. If each person supplied his own needs in his own way, entirely independent of the rest of mankind, there could be no evolution of industry as such. But from the earliest times men have associated themselves together, having probably been compelled to do so in self-defence, and as a result of their mutual defence against external foes, have learned to combine against the common enemy—nature. They are not alone in this. Various animals and insects, which will be at once suggested, have also

organized themselves into associations for the satisfaction of their needs.

The study of the evolution of industry, then, in the first place, becomes a study of the various forms assumed by the division of labor, the human arrangement for the making of things to satisfy human needs.

How, then, did this division of labor originate? Was it the result of that tremendous intelligence with which man is gifted, and upon which so much enthusiasm and self-admiration is bestowed? Hardly, for we have seen that certain of the lower animals at all events have displayed at least an equal degree of intelligence with the lower races of man, as we have discovered his in out of the way places and amid primitive conditions. The same degree of sagacity as marks the labor of the beaver, the same sense of prudence as distinguishes the bee, is hardly to be discovered among any primitive people. It was not the innate sagacity of man that determined his career as a maker of commodities as an organizer of the labor force inherent in him, but the force of circumstances. The necessities of the case drove a feeble animal, without any very effective means of defence, against the elements and the rapacity of the beast and his fellow man, to solve, one by one, the problems of sustenance as they were presented to him, and to use nature herself, his erstwhile foe, as his slave.

Looking back over the wonders achieved, the men of primitive tribes endeavored to typify the first triumphs of their race under the names of individuals and to describe as one great achievement of superhuman strength the startling records of human activity and progress through countless generations. Tubal-

Cain and Prometheus are the naive explanations of great and permanent inventions and discoveries. We laugh at their childishness, but as a matter of fact the ascription of superhuman power to individuals is no more absurd in the naive hero-worship of the early tribesmen than the later conception of the same idea in the mind of a Carlyle.

What the race has won the race has earned; and by the race we mean not the individuals whose names stand out as conspicuous landmarks to mark an epoch or an event, but the great common mass of men and women whose lives and experiences have been blended in what we call the experience of mankind and from the great stores of which the inventor and the organizer must draw his material be he never so mighty.

The division of labor is therefore the history of the race in more than one sense. It is to a great extent its record as seen in the passing events and incidents which go to make up history, and, in a still greater and wider sense, it is the sum of the mental activities generated by the efforts of man to solve the various problems which have been from time to time presented in his struggle for existence.

Men come and go, much of the result of labor is lost by the way, but the store continually increases in the treasure-house of mankind. Peoples must apparently begin at the beginning. They work out their first problem by themselves and afterwards they spread out, come into contact with other peoples, who have themselves been solving their problems. They melt the one into the other and at the same time their different industrial efforts amalgamate, and the whole race is permanently endowed with the results of the

separate achievements of its component peoples. New methods succeed the old ones, and thus old arts decay and the skill achieved in certain directions to which the roads have been forgotten is evidenced by the finds in sepulchers and the ruins of long buried buildings.

It thus appears at first glance that the division of labor is not the result of individual but of social effort. It is not due to the transcendent ability of this or that man, but is, on the contrary, the stored-up knowledge of man, dealing with new conditions and amid a fresh environment. With this truth admitted disappears one of the most cherished ideas of a once exceedingly popular school of philosophers.

When Defoe put Robinson Crusoe on his desert island he little thought that the genial Yorkshireman was to become the center of a conflict with which any of those waged against his cannibal foes is very insignificant. Robinson Crusoe was a great find for the old individualistic political economist. It saved him inventing anybody. This economic man was made ready to his hand, and Robinson with his bags of potatoes has served as an object lesson for all sorts of learned dissertations, from the greatest happiness theory down to the most modern abstractions in the shape of marginal utility.

But if Robinson was a favorite instance with the individualistic economist and philosopher, there is no reason why we should not use him also, and he will be found at least a valuable example for us, and not as embarrassing as Professor Böhm-Bawerk appears to have found him to be. It is really worth considering whether Robinson in the flesh had ever half as heavy a load to carry, as he climbed the winding

road to his cabin, as the learned Austrian has laid upon his back, and if he was nearly as surprised at the footprint of the savage as he would be at the marvelous legerdemain shown in the handling of his modest bags of provisions.

True, Robinson was a mighty individual. He routed the savage tribes with a spirit and a measure of success which is very pretty to read about and he provided for his own comfort in an exceedingly satisfactory manner. His Yorkshire appetite and his Yorkshire anxiety about his food supply never desert him and he solves all the little problems incident upon his strange conditions with a dexterity which has been the wonder and admiration of school boys and still continues to be so.

But if Robinson had been the great individual, the supreme and all-conquering one, Nietszche's "over man" incarnate, he should have started from the beginning. Defoe should have put him on the island a naked man, unequipped to begin his struggle with the elements. How long it would have been then before Robinson would have found himself in the cannibal economic system?

Instead of that, one simple tool after another comes into his hands. An axe—what generations, nay ages of human toil and experience lay behind that axe which Robinson so easily finds and so skilfully uses? How immeasurably had the people to whom an axe was a familiar implement progressed beyond the savages whom Robinson met and to whom it was a strange and wonderful thing! And so with all the tools until the crowning one is reached, the gun, which made him master of the bird, the beast and his undeveloped

fellow-man. Even had Robinson been placed on the island under the elementary conditions of which we have spoken he would still by virtue of the racial experience behind him and the greater brain development consequent upon his inheritance of racial experiences, have been immeasurably superior in resource to the savages against whom he had to contend.

All that Robinson had he owed to human society, to the aggregated experience of countless men and women, who had been associated for generations on generations before his time. In fact, this typical individual turns out not to have been an individual at all, so far as the solution of his problems on the island is concerned, but a broken-off section of a society which had formerly claimed him as a fraction, and composed of the same materials as the society from which he had been separated by shipwreck.

We have dealt with Robinson at some little length because through him we can reach a whole host of belated individualistic objections to the later philosophy of society and industry. Thus the utilitarian accounts for the growth of the organization of industry, the creation of the division of labor, upon the assumption that it was made in the pursuit of human happiness. This is an old idea. The argument runs something in this way: Every man desires to be happy, the sanction of every man's acts is his individual happiness; therefore the evolution of industry has come about as the result of individual experimentation in the direction of individual happiness.

Unfortunately for this argument it remains to be proved whether there has been any increase in what may be termed human happiness, owing to the institu-

tion of the division of labor. Happiness is a sufficiently indefinite term in any sense, but it would puzzle even an individualistic philosopher to show that the terrible suffering and destitution which have been the lot of great masses of men at every period of industrial transition, have been willingly undertaken by them for the purpose of securing at most a doubtful happiness to other people. Imagine the happiness which is at the present time expressed in a slum-huddled and gin-befuddled submerged population, called into existence, and doomed to extinction under circumstances of the greatest possible misery by the industrial organization invented by individuals, each one of them bent upon securing the greatest possible amount of happiness!

It would be hard in the history of human thought to find a theory so absurd in its actual results as the utilitarian. It was a ready-made affair, intended unconsciously to serve the purposes of the new capitalists and the Manchester economists. It has gone with much other lumber of the same kind. But it has to be mentioned because venerable old gentlemen who were at college when John Stuart Mill was a power, still put up their hands and deliver themselves of portentous platitudes based upon such utilitarian ideas. There are few things as persistent as a preconceived notion, and the ghosts of utilitarianism come back with quite depressing frequency to haunt the age of trusts and the dynamo.

What then are we to say? That men began the division of labor because they could not help it? Even this would be much nearer the mark. Men invented the division of labor because they had to do so or succumb. They must go forwards or backwards. There was offered for

their choice in the prehistoric times, merely extinction or a new way of grappling with the environment. How many races perished because they did not discover a way of meeting the exigencies of the circumstances we know not, but one race at least worked it out and survived, and by continual modifications of its methods at long intervals still continued to survive.

This much we know, at all events, that the progress of a people in the sciences, arts, and all other things of that nature, is dependent upon the degree of efficiency which has been attained on the field of industry. We know also that these fine things are the effects and not the causes of industrial progress, which depends, in its last resort, upon a much more prosaic fact, the necessity of each man, woman and child eating at least one meal a day.

The object then, of the division of labor is the support of the group in which it is employed, not the support of the individual of the group, except incidentally, but the support of the group itself as a unit. As Professor Giddings says in a burst of candor and straightforwardness, as refreshing as it is rare among professors: "Industry is the solution of the problem of subsistence."

The division of labor then consists in the employment of different kinds of human activities to one definite end, and that is the subsistence of the group. It can only, therefore, be effected among the members of an already constituted society.

The industry of wandering tribes is of necessity a simple thing. Even here we find some differentiation of activities, but, generally speaking, each member is able to perform any duty which may devolve upon him at any particular time with regard to tribal life. Thus, as Spencer points out, the industry of nomadic

tribes in itself implies an absence of concentration and a a dispersal over as wide an area as possible. All of which is naturally against the development of any complex system of organization.

Agricultural settlement, on the other hand, is much more conducive to a more complex form of industrial organization, but still does not give scope for this in any degree at all comparable with later forms of the social structure. The various activities of agricultural life demand some sort of organization and arrangement, and in the patriarchal system there is a very complete and practical delegation of duties.

A later French sociologist, Durkheim, has defined earlier forms of social life as consisting of repetitions of the same segments. This is rather an effective comparison. Thus in agricultural societies, the society is made up of farm after farm, each of them presenting the same features, one being, as regards its economic structure, a repetition of the other.

The division of labor arises from and results in the breaking up of these segments. As its result we get the organized society of to-day, which is just the reverse of segmental. In the segmental form of organization, any segment may be injured or destroyed without any particular effect being experienced by those remaining. It is quite otherwise with the societies of to-day, at least with those which combined constitute the great modern system. The least upset or disturbance in the industry of the one is the cause of suffering and misery in another. A drought in Dakota may set the children of a London carpenter crying for food, a financial disturbance in Vienna sends the daughters of a San Francisco banker out into the world to earn a living.

Spencer gives a definition of social evolution, which appears to fill all the requirements of such a definition. He says that in the course of such evolution, small and simple types first arise and disappear after short existences, that these small and simple types are succeeded by higher, more complex and longer lived types; and these again by others which give promise of greater longevity and a higher type of existence.

The evolution of industry fulfills all these conditions; it has kept step in its complexity with the growing complexity of society; nay, it has been the cause and the reason of the complexity in society. In its growth to a more and more involved machine it has dragged along with it society willy-nilly, but always in pursuit of the same object, the satisfaction of human needs, for, underneath all the superimposed grandeur and magnificence of modern civilization, the same problem, the problem of subsistence, lies at the base.

Industrial evolution has been divided in to four stages called, respectively, the Family System, the Gild System, the Domestic System and the Factory System.

These are useful divisions, but they are by no means absolute. They cannot be regarded as hard and fast divisions, for, in some conditions of society, we may get several of them working together. Thus, even in the form of industry at the present day, the dominant expression of which is the factory system, we get a great and strong survival of what was called the domestic system, and still some other survivals of an old gild system. But each of them has, at any rate, represented the dominant form of industry at some time in the evolution of a society up to the present form. They appear to be the recognized steps by which the division of labor progresses, and so-

cial activity, on its industrial side, may be included in one or other of them.

In the family system the work was carried on by the household for the good of the housesold. The household may be large or small, as small as a Boer farm, where this system was the only one commonly employed, or large enough to include a feudal manor. In either case the essential marks are practically identical.

The distinguishing marks of this system are that sale is not by any means a dominant factor; where it occurs it is, for the most part, accidental and occasional. Production is mostly for use. These are the main characteristics of the family system, in whatever form it shows itself. Among the forms assumed by the family system at different periods we get:

(a) Communal or Tribal Production.—This is found among nomads, savages, barbarians and village Indians. The Pueblo Indians furnish a good example of this stage in the organization of industry. These Pueblo Indians tilled their fields in common, they divided their food from a common store and they cultivated gardens, etc., in common, beside making a common provision against the possible encroachments of hard times. Perhaps even a better example still is furnished by the Polynesian Islanders. The great war canoe of the Fiji Islanders is a striking instance of the working of the system in what was to them an exceedingly great enterprise, the building of a ship as the common property of the tribe. There is not a nail in all the canoe. It is held together by cocoanut fiber, the deck is adzed with a flint adze, there is a house in the middle of the canoe, which is capable of holding about two hundred people. This canoe took about two years to make. During its construction a portion of the

tribe labored upon it while another portion provided food and clothes for those engaged in the building. At the end of the work, the canoe became the property of the tribe. Here is an elementary form of the division of labor sufficient to answer all the needs of the society in which it existed and which it sustained. (See Hyndman's "Economics of Socialism.")

(b) Slavery.—Not until the institution of slavery did the division of labor make any great headway. Slavery was the source and origin of many of the separate and independent trades as they exist to-day. The differentiation of labor was a result of a desire to get as much labor as possible out of the slaves whose surplus products went in the aggrandizement and luxury of the master. Under slavery arose the distinction between agriculture and handicraft. Some sort of trade, not ostensibly as trade but rather as exchange, arising from a superfluity of certain commodities, arose, and this naturally tended to increase. But there was no production for the sake of sale alone; the values created were for the most part use values. Labor over and above what was required for the purpose of maintenance was usually expended in the making of luxuries, whence arose the magnificence which Oriental despots and the Roman nobility enjoyed. The great Oriental empires rested on a foundation of chattel slavery. It appears in a very crude form among the Greeks of Homeric times, although here we find a certain intimacy and even friendliness between master and slave, for which our later conceptions of the system of slavery do not altogether prepare us. In spite of the terrible personal powers of the master in the disposal of the slave, it is at least doubtful whether the burden

weighed as heavily upon him as that of the modern system upon our free proletarians.

The system appears in a more advanced form in Sparta, where we have an example of communist property in slaves, and again in Athens, where a comparatively small free population subsisted for the most part upon slave labor, and under the exceptionally good climatic conditions of the Hellenic peninsula found an opportunity for the cultivation of the fine arts and the development of the aesthetic instinct to an extent which has never yet been equaled.

But Rome furnishes the best and most extensive example of slavery as an institution brought to perfection. The great wars of the later republic were undertaken largely to replenish the numbers of slaves held by the prominent Romans, under whose superintendence the division of labor was greatly extended. Slaves were largely employed for all kinds of work, the coarsest and the most refined. The slave market at Rome offered for sale men who were capable of serving in the most intimate capacities, as scribes or private secretaries, and in the most menial, as tenders of cattle or tillers of the soil. No occupation was too high or too low for the slaves; they filled the harems of the nobility and they ministered to culture and the arts. Upon their shoulders rested the cultivation of the latifundia, or large farms, which were the source of wealth of the nobility; they were employed not only in Italy, but also in the provinces, and large numbers of them toiled for the production of that corn supply upon which crowded Rome, with its bands of professional politicians, had to rely for very life.

Naturally, under such circumstances, the slave, with his command of a trade of some sort or other, gradually

became a person of greater and greater importance, his enormous numbers threatened the stability of the State, concession after concession was made to him. Some of his labor time he obtained for himself and with the money he was able to earn in this time he was permitted to purchase his freedom. This "peculium," as it was called, was analogous to the small sums which sometimes the modern proletarian can save out of his wages, and which, when deposited in the banks, form the subject of much congratulatory satisfaction from the economists and statisticians of the class in power. This fact, coupled with the increase in liberality of legislation mentioned above, paved the way for the creation of a new kind of man—the free laborer.

(c) Succeeding slavery we get still another form of the employment of labor, which contained within itself the possibilities of a still greater extension of the division of labor. This was serfdom. Here, the personal ownership of the slave by the master disappears. It was a modified form of slavery, but was marked by a breaking down of the single farm segment. The serf formed the basis of a wider social organization, a feudal system which included and united within itself various smaller estates and formed the nucleus of the modern State. The serf performed certain duties which did not monopolize his time and which left him considerable leisure for the following of his own pursuits. It is clear that this fact would in itself make for a still further development of the division of labor than was possible under slavery. Round the castle of the feudal lord clustered the huts of the serfs, who each followed specific pursuits; the armorer, the blacksmith, the worker in wood and others who followed their avocations, and step by step developed

the individual trade distinctions which mark the division of labor as it appears at the present time.

It must be remembered, however, that the majority of these trades were followed, though in an ever lessening degree, as merely by-employments. The workman of the early feudal times was a much less specialized individual than is the workman of to-day, who is gradually being reduced to an almost myopic condition by the sameness and dreariness of his daily task. But, as the development of personal skill led, on economic grounds as well as those of personal enjoyment, to a selection of a particular kind of work, the standard of work improved, and the way was gradually prepared for the development of a new and still more important system, namely, the gild system.

With the end of serfdom we find ourselves outside the narrow limits of the family system. This having begun in the prehistoric stages of family life, lasted up to a time which brings us within a comparatively short distance of our own. Savagery and barbarism had found its applications sufficient for their needs. From step to step it developed, widening the scope of the division of labor at every grade, and, like all systems, preparing itself for its own final disappearance.

In the light of our own later knowledge it appears almost incredible that men, wise men, too, should have taken the absolute and static view of human society which has been the rule up to a comparatively recent date. The examination of the family system, with its different forms of organization, shows how necessary each step was, how essential was the link that each stage furnished in the development of industry. Any pause in the development would have necessarily meant the arrest of human development; any diminution of the suffering even would

have probably resulted in the staying of the wheels of progress.

It is well to bear this in mind when we are considering the horrible conditions which were an essential part of the system of chattel slavery. Repugnant as the whole idea of chattel slavery is to our minds, and incredible as would be its existence at the present time, it must be remembered that to that institution we owe much of the impetus in the direction of the division of labor of which we some day hope to reap the benefit for ourselves.

It is not by the good in a system but by the evil in it that progress is made. Anything which tends to obscure the antithesis existing in a social organization, to hide the contradiction, is an obstacle in the path of progress. Boards of arbitration and such like efforts to reconcile irreconcilable interests are really only nuisances. The antithesis is there, all soft words to the contrary notwithstanding, it must work itself out and upon this working out depends the progress and further development of the particular society. We shall now see how the antithesis existing in the feudal system declared itself, and how it finally resulted in the destruction of that social system, for, as Engels says, in a sort of paraphrase of the Hegelian dictum concerning the rationality of all existing things, the chief value of all phenomena is the certainty of their disappearance.

The next form assumed by the division of labor, the gild, was the beginning of the end of feudalism.

The gild system began about the middle of the eleventh century. The reason of its coming into being was chiefly the development of particular trades under the system of serfdom and the consequent increase in steady demand for certain commodities, which encouraged a more regular

attention being paid to their manufacture. This was accompanied by an increase in the food supply due to an improvement in the system of farming, longer periods of peace and the settlement and reclamation of larger tracts of land. These causes encouraged specialization and did away with the mere by-employment in manufacture of time snatched from farming. Hence, the crafts arose, and the gilds were organized for the purpose of regulating the work done in the craft. The chief feature of gild work was excellence of quality, and to ensure this, a system of graded apprenticeship was devised. The result was a growth in personal relations as opposed to the relations of the feudal system which were based on the holding of land. But the gild itself contained the contradiction that was to destroy it. The gild master acquired more and more power, and the gild system continually grew in the direction of monopoly; in some cases certain families monopolized an entire craft in a certain district. None but members of the gild were allowed to practice a craft in a particular place, and hence grew the element which was destined later to destroy the gild. Coincident with the gild grew up the merchant adventurers, and as trade developed, the merchant gilds arose, which after a time, became stronger than the craft gilds, and established commerce as commerce.

The distinguishing feature of the gild system was the combination of labor with a small capital. The gild master had a little money; he bought the material and, with his apprentices, made the finished product. This he sold directly to the customer. The personal relation was very marked. The gild master worked as a rule in the shop with his men; there was no class difference between them, at least, at first; but later as the gild masters

increased their wealth and became tyrannical, the apprentices and journeymen were often in sharp conflict with the former.

It will be observed that the gild system greatly increased the effectiveness of the division of labor, established the crafts upon a firm basis and introduced a degree of technical skill which had hitherto never been attained, at least, on such a scale and in such variety. It caused a growth in wealth and laid the foundations of a class which, by virtue of its control of commodities, was a dangerous rival to that class whose power was based on land.

The domestic system succeeded the gild system, which began to give way about the sixteenth century in England. The master no longer manufactured directly for the customer; he sold the product to a middleman. Frequently, also, he bought the raw material from a middleman. This, of course, tended to increase the number of middlemen very greatly, and they became a mere money power, taking the risks of the market and speculating in the values of commodities. They were only traders, having nothing to do with the manufacture of the commodities, but sucking sustenance from the makers. One effect of this system was the break-up of the narrow local organizations of the feudal system. The cry of nationality arose with the extension of the market, and the confined and restricted limitations upon buying and selling were gradually abolished.

There is no necessity to go into the manifold disadvantages of the domestic system. But under it the standard of the work done by the crafts lamentably deteriorated. The conditions under which labor was carried on were frequently of the very worst, the comparative isolation was

a great destroyer of the social spirit which the modified communism of the feudal system had preserved from the earlier tribal communism, and the outward expression of social life, in the shape of architectural and artistic monuments, was practically destroyed. It was a crude and unlovely period and is absolutely undeserving of the praises which are bestowed upon it by the narrow reactionists who attack the present system by speaking enthusiastically of the "much better life" of our fathers.

The fact of economic moment in the domestic system was the frank substitution of manufacture for exchange instead of manufacture in part for use. The commodities were made expressly for the market and several proverbs are still alive which appear to show a certain understanding of this fact; for example, the homely saying that the children of the shoemaker are always without shoes.

There was a sense of personal freedom, however, which the feudal system lacked, for the workmen were free as to their daily toil. The innumerable restrictions of the gilds were abolished and labor became a commodity, competing like all other commodities upon the open market. The master was no longer a shopkeeper or a merchant. He had lost what may be called his economic independence. He depended upon the middleman and the market, a market which was, by its expansion, slipping further and further away from him

The next step was a comparatively easy one; it was merely to transform these unorganized individual producers into an organized effective industrial force. This was accomplished by the discovery of a new motive power, in the shape of steam. Henceforward, the factory was possible, and a struggle was thereupon entered into be-

tween the old domestic system and the new factory system. This struggle has been carried on for more than a century, each year marking a definite increase in the power and strength of the new system. With the passing of the domestic system we come, practically, to modern times.

The factory system consists in the thorough carrying out of the division of labor. It wipes out the last vestiges of manufacture as a by-employment; it continually narrows the scope of human activities and by concentrating the whole attention upon some detail of manufacture creates a class of mechanical specialists, whose united skill is devoted to the production of the finished commodity, no part of which any individual worker can claim as his own handiwork. It destroys individual expression, and with it, all incentive for artistic creation. But it is undoubtedly, the most effective means ever devised for the making of commodities. Its particular excellencies and drawbacks will be considered under another head.

We have thus cursorily examined the course of the division of labor, which, arising in prehistoric times, has been the foundation of all progress and which in the factory system appears to have reached its culmination. But the modern system, also like all others, carries within itself the hidden contradiction; from it must grow the new force which is destined, finally, to overthrow it.

CHAPTER II

INSTRUMENTS OF PRODUCTION

Concurrently with the development of the division of labor, and the growth in complexity of the human arrangement for the making of commodities, there has been an evolutionary growth on the part of the instruments of industry analogous to and concomitant with the growth of the industrial organization. Thus the tool, the intermediary between man and the raw material of nature, has developed from the simplest and most elementary forms to the most intricate and complex. The highly intricate and involved machinery of to-day exactly corresponds with the intricate and involved society of which it is the servant. Nay perhaps it cannot, with exactness, be said that it is altogether the servant, for it compels organization along the line which is best adapted to its own use. In more than one sense it is indeed the master, a cruel master, which devours men, women and little children indiscriminately, with a preferential fondness for the little children, a master which relentlessly "grinds life down from its mark," and yet a slave, which in the end finds the same last resting place as the human slave which tends it, the scrap-heap.

The discovery of the tool placed man at one bound above the lower animals, and put him on the

high road to all his future greatness and unlimited prospects. We, who are face to face with the tremendous engines of production, and who have grown so blasé with the wonders of the last hundred and fifty years, to whom the surprises of mechanical invention have become the merest commonplaces and who are apt to sneer at the latest achievement and smile "cui bono"? at the newest and largest promise, have lost all conception and appreciation of what even the most elementary tool signified to the people of a more primitive and less arrogant time.

But our traders, wise men, have learned practically what we have for the most part failed to grasp intellectually and a flourishing barter has been carried on for more than three hundred years in the exchange of elementary tools with savages and barbarians for valuable land concessions, mineral claims, tons of ivory, loads of spices, and all that ministers to the luxury and pride of life of the pampered favorites of the tool and the machine.

Peary, from the far Arctic, declares that the importance attached to elementary tools by the Eskimo is very great, and until the circumstances of his life are thoroughly comprehended, inconceivable. Thus he says, "A man offered me his wife and two children for a skinning knife . . . and a woman, everything she had for a needle."

Accustomed to regard merely the exchange-value of these instruments of production we forget the use-value attached to them by those who do not possess them. Incidentally, Lieut. Peary's story furnishes a beautiful example for the marginal utility professors,

of which it is to be hoped they will take an immediate advantage.

The origin of the tool lies far back in prehistoric times. It must have existed, at all events, before even elementary ideas of decency had become the property of the race or the book of Genesis cannot be relied upon for the story of Eve and her apron.

We must remember that the experience in savagery was longer than in all subsequent periods together. Men were savages much longer than they have been anything else. We can only guess what experiments and experiences in the long, long darkness of savage animality were made; but we know that, at last, the stored up results of these experiences were accumulated, and that these rendered possible the discovery and use of the tool.

Haeckel says, speaking on this very point, "There cannot be the slightest doubt that the development of the human race went on by leaps after certain discoveries had been made . . . to wit, those of implements and of fire. That creature which first took up a stone or branch and wielded it, thereby got such an advantage over his fellow-creatures that his mental and bodily development went on apace."

In a recently published work entitled "Flame, Electricity, and The Camera," the author says: "Of the strides taken by humanity on its way to the summit of terrestrial life, there are but four worthy of mention as preparing the way for the victories of the electrician, the attainment of the upright attitude, the intentional kindling of fire, the maturing of emotional cries to articulate speech, and the invention of written symbols for speech."

Such are the crude and elementary beginnings upon which depend the whole structure of economic progress and the development of material well being. It is not surprising that this undignified and elementary origin of man's triumph should have been intolerable to his conceit, and that he should have required a demi-god to supply to him out of the plentitude of heaven's resources, the ideas which are the building stuff of his progression (e. g. The Prometheus Myth.)

It was, as a matter of fact, in the earlier stages that the first victory was achieved. The elementary inventions gave man the power to develop still further. It has been pointed out by a modern economist that the change from the axehead of stone to one of bronze was of infinitely greater human import than has been the subsequent change of any dynasty, and that it constituted in itself as important an economic revolution at least as the change from handloom weaving to steam-driven machinery. One cannot help imagining that the power of the new bronze axe must have impressed itself very disagreeably upon the head of any opposing tribesman who was armed only with a flint one, and that the process of conviction, although more rapid, was after all perhaps not more conclusive than that employed by the modern trust in dealing with the small producer.

Even to-day we find tribes which are in the most rudimentary state as regards their instruments of production and hence in every other sphere of activity. Thus the lower savages of Australia and Polynesia represent, perhaps, the lowest stage which has yet been discovered. They are armed only with a wooden club or spear, that is with a thick heavy piece of wood for

striking purposes, and a pointed piece for piercing purposes.

Morgan's "Ancient Society" gives a very useful classification of the leading stages in industrial development and the following sketch of the ground covered is taken very freely from his book.

The next great step was the making of the bow and arrow, a complicated tool consisting of several parts and showing sufficient ingenuity to make it a matter of surprise that it should have appeared so early in human history. This was followed, or perhaps, accompanied by a large number of elementary inventions such as wooden vessels and implements, finger-weaving with thread made from the inner bark of trees, and the making of shaped and smooth stone tools as distinguished from the rough tools of the so-called palaeolithic age.

This was soon succeeded by the making of pottery which probably originated in the smearing of clay around basket work in order to make it water tight; when the basket work burned out and left the clay standing, the hint was given for the making of pottery.

The first inhabitants of England of whom we have any knowledge were in the neolithic age. They were able to spin and weave, mine for flints, make pottery, and build boats. There must also have been some trading, for jade axes are found at intervals, and these must, of necessity, have been introduced from the outside, as there is no jade in England.

The best type of a period superior to that in which the early British were, is that of the Homeric age as described in Homer's Iliad. The industrial achieve-

ments of the Homeric Greeks represent the highest point which has ever been reached by a people still in a state of barbarism. They had cereals, cities with walls, and used marble in their buildings. They made ships with planks, a great step in advance of the old hollowing out process, and perhaps, though this is by no means sure, used nails in the construction of their vessels, but wooden pegs or rawhide served commonly as a substitute for nails.

They possessed the wagon and the chariot, metallic plate armor, a copper-pointed spear, and an iron sword.

They had all the mechanical powers with the exception of the screw. The potter's wheel and a handmill for grinding corn were to be found among them. Among ordinary tools they possessed the iron axe and spade, hatchet and adze, hammer and anvil, bellows and forge.

A glance at this list of tools will show that these Homeric Greeks were about as well equipped to contend against the hindrances and incumbrances of nature as were the first settlers of New England. All the means of elementary achievement at least are there at hand and the development from the industrial stage in which the early inhabitants of Britain are discovered is exceedingly marked. For several thousand years no marked advance was made over the place won by the Homeric Greeks in the matter of simple mechanical implements. It rested with a later age by a subtle development of the tool, to place man in a still superior position, as far as concerns his power over the raw material.

These Greeks had also fabrics woven on a loom. Attention may here be drawn to the wonderfully con-

spicuous part played by women in the development of the first industrial implements and in the discovery of important inventions. The tasks of the women in and about the camp, while the men were out hunting or fighting, necessarily led them to adopt simpler means of labor and in the course of their handling of materials to discover combinations which would ultimately be of use to them. Thus the discovery of pottery and weaving from the first crude attempts with the basket to the weaving of material upon the loom were in all probability the work of women, and many other of the initial discoveries and inventions which afterwards developed into separate trades, and, with their development, were parted from their original discoveries, owed their origin to women. It is impossible, in such a cursory and superficial glance at the subject at the present, to enter at any length into this part of the question, which furnishes a very fine field for investigation and consideration, for although some attempts have been made, a really valuable study of the economic influence of the primitive woman has not been written.

In comparison with the ground won by the better developed barbarians but little progress was made for a long period of time. The last century and a half have added immeasurably more to the acquisition of the race, than many preceding centuries. Thus the later Greek civilization succeeding the Homeric age, and the Roman civilization combined only added to the store collected by the Homeric Greeks the following: fire-baked bricks, the crane, water-wheels for driving mills, the bridge, the aqueduct, the sewer, lead-pipe and the fly-wheel.

When we come to medieval times we find a still

greater poverty of invention. In fact there was but little incentive to invent. The rigidity of the system, the uncertainty of tenure, the absence of a market, and the comparatively savage state of the victorious barbarian tribes who had finally vanquished the Empire, were all so many obstacles in the way of industrial development. The scattered farms, the wild and savage life of the feudal lords, the perpetual warfare, rendered the period one in which the finer arts and the study of mechanical appliances were as a rule not only unnecessary but impossible.

Only in the quiet cloister where all men of all sorts of personal beliefs found under the protection of the Church a shelter from the boisterous life outside and where there was leisure and opportunity to think out the problems of work and life, always, however, within the strict bounds of ecclesiastical discipline, did invention progress.

Under the protecting care of the monks agriculture developed and horticulture began to differentiate itself, fruit trees and flowers added their products to the sum total of human enjoyments and Roger Bacon toiling with crucible and retort produced gunpowder. The elements of the natural sciences with all their possibilities of future adaptability to the service of man began to peep out from the mass of superstition and knavery in which they were embedded. Thus the Middle Ages dark as they have been called and unprogressive as the stupid bourgeois is pleased to term them, were in reality a necessary interval, not a time of retrogression, but a time of strengthening and maturing, a time of preparation for the possibilities which were opened by the creation of the market and the rise of the system of

production for exchange in distinction to production for use.

But this view of the Middle Ages and their effect upon human development has been now generally accepted and there is no occasion to dwell upon it. It is one more instance of the rising revolt against the bourgeois philosophy, even in the schools. It is satisfactory to observe in this connection that the socialists have been in advance of the universities in this matter, as they have been in most other matters of a political or social significance.

As an instance of the paucity of invention of the Middle Ages, Adam Smith mentions the fact that there were only three inventions in the art of weaving woolen fabrics between the reign of Edward IV. and 1760. These, however, do not give a complete idea of the development in that industry as the invention of the flying shuttle in 1738 is omitted from his list.

As late as 1760 the machinery used in the manufacture of cotton cloth was of a most elementary description, in fact, it is said to have been as rudimentary as that used among the Hindus for the same purpose,—the only differences being that the English machines were made more strongly and that cards had been introduced from the woolen industry for the purpose of combing the cotton.

Morgan cites as the inventions peculiar to our civilization gunpowder, the mariner's compass, the canal-lock, printing, the ponderability of the atmosphere, the telescope, the power-loom, the spinning jenny, the steam engine and the electric telegraph. Of course this list is inadequate at the present time for, since Morgan wrote this work the whole subject of electricity has received attention and the results are so well known that it is

unnecessary to cumber these pages with the story. Suffice it to say that the present epoch is only at the threshold of discovery. The practical application of science, the spirit of investigation, the clarifying of philosophical conceptions, the decay of superstition and over and above all the opportunities for the acquisition of wealth, which are open under existing conditions, to the successful exploiter of new machinery, have given a stimulus to invention, and at the same time have destroyed any of that moral hestitancy in its employment, to which the contemplation of the havoc wrought by its unregulated use may at one time have given rise.

We have now arrived at the eventful year of 1760, as eventful as any in the history of the human race, perhaps the most eventful in the history of man; for, in that year began that series of discoveries which has caused a complete change in the social structure.

The world is a different world now than it was in 1760. Old faiths have gone down in the turmoil like logs down a swollen stream: old loyalties have been destroyed, and, with the loyalties, the class to which they were formally accorded. Before the iron of the machine the power of the sword and the authority of the feudal manor have been completely broken. Heavy mortgages, impoverished estates, and the merest rags of dignity are all that remain to the all-powerful nobility, except to such families as have sacrificed every thing of the feudal tradition but the family name, and have gone into trade, either actually or by astute alliances with wealthy traders.

The bourgeois, arrogant, inflated with the pride of wealth which he has gathered under circumstances of the most appalling tyranny on the one hand and the most dreadful suffering on the other, has placed his heavy foot

upon the world as its conqueror, and the world has groaned under the pressure. Vulgar, with the vulgarity of money-hunting and crammed full of the pietistic phrases which were the stock in trade with which he began his political movement the bourgeois has invented a sham art, a sham culture, a sham religion, and a sham literature.

But even his kingdom contains that contradiction which will realize itself in the disappearance of the kingdom itself. Ranged against the bourgeoisie is a new class, one which the rule of the bourgeois has itself called into being: the proletarian, a new class, destined in time to be the victorious class.

At least as remarkable as the change was its rapidity. In a quarter of century, what had been a dominant mode of industry was swept out of existence and an entirely new one substituted in its place. The domestic system of whose painful development we have already taken notice, was destroyed and a new and infinitely more powerful and effective system substituted for it. In place of the cottage with its overcrowded family which depended for its subsistence upon the garden patch or the few acres, and the product of the little wheel or loom, rose the great factory both as monster and as deliverer;—as monster for it tore the family to fragments and destroyed the last remnants of the patriarchal system in the home, slew the children, practically divorced the parents, and packed fetid slums with the refuse of its human energy; on the other hand, as deliverer, for it contained in itself the germ of the higher and better system, of which man must yet reap the benefit. Even in the factory system the essential contradiction is apparent; the competitive anarchy which has driven the machines at such headlong

rate is met by the order and discipline of the workers, a necessary harmony of action, so that the machines may accomplish the greatest amount of which they are capable, and the competing interests of the commodities and consequently of their owners are antagonized and contradicted by the growing unity and community of interest of the workers.

In the year 1770 Hargreaves invented the spinning jenny. This was an improvement on the old spinning wheel. Formerly, the wheel had allowed of the spinning of but one thread at a time. Hargreaves by arranging a frame with a number of spindles side by side, and an apparatus for feeding, brought it about that many threads could be spun at once.

Still the essential problem had not yet been solved. The revolution of the modern epoch has depended not upon a greater production of handwork but upon the elimination of handwork and the substitution for it of machine work. The first real result in that direction was reached by Arkwright who in 1771 invented a spinning frame which could run by water, and in 1789, a revolutionary year, Crompton by a combination of the two machines produced the mule, which was able, by means of motive power, to accomplish the work of many spinning wheels by an almost automatic action.

The improvements extended to the weaving industry, and by the invention of the power loom in 1785 that industry was put upon a plane of advance, corresponding with the position attained by the spinning industry, and henceforward, the great step having been made, there remained but to improve the results and to accommodate the machine to the necessities of the work.

The great fundamental difficulty was a motor. It

is evident that, mere human labor would be inadequate, without external assistance, to accomplish the gigantic tasks imposed upon it by the new industry. Water and wind had both been called in to assist the labors of man. The water wheel is a very old invention dating back from the days of the early Greeks, its limitations are however sufficiently obvious. However valuable it might be as an auxiliary in a small district, where manufacturing for use was the main purpose of industry, it is evident that it must have fallen entirely short when the dominant work of industry was manufacture for a large and continually growing market, where the fluctuations of price were so pronounced that it became a matter of importance to get one's wares in first.

Holland by reason of its flatness and of its consequent slight fall for water, employed the windmill very largely and brought it to a perfection not hitherto attained, and in the latter part of the seventeenth century windmills had become very common, and were employed largely in the grinding of corn, but there does not appear to have been any serious effort made to use the power thus generated for other purposes. The drawbacks to the employment of wind are, though not so obvious as those of water, sufficiently clear, and the demands of the market insisted upon a more efficacious means of generating power for the continually increasing requirements of production for the market. In other words, when the first steps were made in the substitution of the machine for the tool, the solution of the problem of industry was within the immediate grasp of man. Just as the earlier inventions had taken long to develop in their crude beginnings, so the machine industry was slow to solve the first difficulties, but, once established, the road was com-

paratively straight, and the discovery of a constant and powerful motor was the only thing lacking to the complete development of modern industry after the primary inventions already recounted.

In April, 1784, this problem was solved. Watts took out his patent for his so-called double action steam-engine. He with a keenness of economic foresight, which has been, unfortunately, for most inventors, absent from their dispositions, described it in his specifications as an agent universally applicable to mechanical industry. Here was the motor which was sought—independent of weather, constant in its action, easily regulated, able to run night and day, summer and winter, and with its iron force to crush out all opposition, creating that iron force itself, and requiring only to be fed with coal and water.

Before the creation of the double action steam engine, Watt and Boulton had entered into partnership to carry on an industry fraught with as much importance to modern society as the invention of that engine itself. Watt had invented a pump to be driven by steam. This the partnership proceeded to put in operation. The sinking of shafts for coal which had up to the present been impossible to any great degree was thus rendered possible, and food for the new iron monster was thus regularly secured.

For it the proletariat must work at the bottom of great holes, in Stygian darkness, with a miserable death impending all the time, so that the monster may be fed and enabled to devour the children of the working class in the prisons, above ground, called factories.

The effect of this ability to obtain coal upon a great scale is of course obvious. Iron at once became absolutely

essential. This led to the removal of the center of the iron industry. The forests of the South of England had furnished the charcoal necessary, and hence had been the chief place of manufacture, but now, the coal fields of the North were more essential to the well being of a trade which under the demand for new machines, and all the iron work incidental to them became more and more prominent.

Smeaton's new and powerful bellows in addition made the iron industry upon a large scale possible, and so this industry developed greater and greater energy. In the iron industry alone there were no less than three new great inventions between 1766 and 1784.

The new machines with their intricate construction and the amount of hard metal of which they were composed, offered another problem. The tools at the disposal of the artisans were not of a nature to cope with these technical difficulties, and the making of the machines required by the new system would have been an entire impossibility had it not been for one invetnion, the slide rest. This rendered possible the shaping and handling of the iron, the new machine had found the machine capable of making it, and the cycle of invention was now complete. All the conditions for a transformation of the mode of industry were fulfilled. The system of manufacture for the market had stimulated production and, hence, required the creation of more effective tools of production than had hitherto existed. The making of new commodities in turn aroused new demands, and the market expanded continually, offering fresh and more glittering rewards to the most successful invader, and thus again flogging the new machines and the human slaves which

tended them to still renewed activity, until the nation reeled and almost broke under the consuming passion for money, and generations of children were offered as a sacrifice upon the shrine of manufacturing progress. The entire edifice of modern culture and refinement is built upon the bones of murdered children, and this is true wherever modern industry has gained a place.

England introduced the system and set the pace. Other nations had to follow her or succumb. The United States with all its natural advantages and resources, with its freedom of contract, and its entire absence of any medieval fetters, plunged headlong into the fray, and to-day is emerging from the battle a victor in the fight for commercial supremacy.

But she, also, is paying the same price. The towns with their slum populations grow and become more and more terrible in the hopelessness of the problem which they offer for solution to statesman and philanthropist. Not only that, but in spite of the terrible example of Great Britain, the same sacrifice of children is demanded, and the new textile industry of the South shrieks for its Minotaur banquet just as did the cotton mills of Lancashire. The path seems to be a monotony—the machine and factory industry must be established if the national capitalists are to make profits in the markets of the world, and nations nowadays exist for no other purpose than that national capitalists should make their profits. To this end children are sacrificed, the country is wasted, its resources are dissipated, and the new machinery, whose advent might have been a blessing, is turned into a means of national degradation and of ultimate decay.

The machine possesses some points of variation from the tool. Marx has pointed out some of the chief of

these differences with his usual careful analytic power. Thus, he says, that a machine consists of a motor power plus a transmitting power and a tool. It must have a motive power, whatever form that power may assume; whether water, gas, steam or the hundred and one other means of mechanical propulsion which have been discovered, since first the invention of the steam engine seriously turned the minds of men to the discovery of mechanical driving power. It must also have an arrangement for transmitting that driving power so as to bring it into connection with the tool, and this force must be intended to accomplish a certain specific work.

The tool is the earliest form of the instrument of production. It is, as it were, a part of the human body a prolongation of the bodily organs, and is guided by the muscles which in their turn are directed and controlled by the human will, acting under the influence of human experience and intelligence. Hence the man controls the tool. Every bit of work done by the tool is the work of the man, the result of consciousness and intention, so that it may, in the fullest sense, be said that the work accomplished by him is his product, his own creature. In the machine, however, the tool is separated from the man, it is no longer under his influence or control, he can no longer direct it, he must follow the machine; no longer does he create; he merely serves. Thus a merely mechanical process is established without a corresponding mental one, with the result that much of the work can be performed as well by children as adults, a fact which led to the early employment of children. They are just as well able as grown up people to follow the movements of a machine. These movements are monotonous, completing a cycle, and in this respect dif-

fer from those of the tool, which are separate, each being the result of the individual volition. Hence arises the outcry against the degradation of art. Much of this, as far as the middle class esthetes are concerned, is mere talk and pretence, but the decay of artistic handiwork, particularly of spontaneous artistic work done by artisans in the ordinary course of their daily labor cannot be doubted.

The tool has been taken from the hand of the laborer, his skill accumulated through generations of trained work has been thrown on the scrap heap, he is exiled from the opportunities of creation or even of reasonable artistic liberty in his own work, and worse than all he has got used to it and does not appear to mind. The labor has lost its zest: the iron of the machine has eaten into the soul of the artisan. Henceforth work is not expression, but grind, to be accomplished as easily as possible and to be compensated for by indulgence in cheap, potent, and vilely adulterated drugs. The market needs speed and cheapness in the making of commodities, which means in plain words the sacrifice of those engaged in their production.

This is not the place however to consider the ethical and artistic effects of the introduction of the great machine industry. The point is that the machine has had an evolution; that this evolution has developed with astonishing rapidity during the period of a century and a half, and that it shows not the slightest signs of diminishing in power and velocity, but rather the contrary. The demand for fresh inventions is stimulated continually and the disturbance and displacement caused by their sudden and uncalculated introduction tends to disturb the financial market, to glut the accumulated stores, to throw men

idle upon the streets and to reduce prosperous artisans to the level of the lower proletariat.

At the same time the power which resides in a new machine and the market rewards for the promoter of a new method of producing, at a saving, continually leads to new invention, causes the institution of technical schools, for the purpose of studying the fundamental laws of mechanics, and thus greater sagacity in the making and controlling of new machines. It converts the university into a breeding place for the upper slaves of the middle class, for those who themselves can never hope to be capitalists, but who may be managers, foremen, or inventors, who are unable to market their own invention, and so must give their labor to the capitalist in exchange for the means of subsistence.

As we have already seen, the break up of the feuda. system meant not only the destruction of the nobility but the creation of the proletariat. This was primarily accomplished by an economic revolution and was accentuated by the mechanical changes which followed in the wake of that economic revolution. Thus the proletarian was driven to greater and greater extremes of proletarianism by virtue of the changes in the machine, and losing his skill was obliged to succumb beneath the weight of the overpowering economic pressure. But in the natural course of events, the employer is bound to give educational opportunities to the proletarians that he may institute, and manage, the machines, and thus the education of the proletarian has changed from that which was appropriate to the production of individual small commodities, to the education which fits him for the management of great social economic instruments. So, out of the very class of the proletariat itself are provided the of-

ficers who will be competent to manage the economic arrangements in the event of that class, by a political revolution, obtaining possession of the instruments of production.

CHAPTER III

THE FACTORY SYSTEM

It is now appropriate to consider the origin of the peculiar modern system of manufacture which constitutes the present and more highly developed form of production—the Factory System.

The various anterior systems paved the way for its introduction, and the gradual improvements in machinery made possible its development. Its sudden arrival swept away like a devouring pestilence the home and all that the home stood for; it converted a strong peasantry into a puny set of slaves, it set "Timour Mammon high on his pile of childrens' bones," and defied all the decencies.

But by some strange alchemy, that system which appeared to be fraught with the most disastrous consequences, and which almost succeeded in destroying the very life of the nation which first employed it, is now the greatest and most promising possession which the laboring classes have ever had thrust upon them. The very herding of the workers together in the unsanitary shed, where the machine ground out its ceaseless task, was the beginning of modern working-class association; the sameness as well as the dreariness of the employment spoke to them continually of identity of interest, preaching a sermon punctuated with the hiss and shriek of the engine, the wail of the child

flogged at its task, and the scream of the murdered victim dragged to death by the unguarded machinery.

It is probable that no age in the history of the world, with all its record of suffering and its sickening monotony of pain and death, ever furnished such a ghastly record as did the factory system in its earliest days. Its history or at least, some of it, is open to the student in the pages of English blue-books; the agitation of the Christian socialists, the burning pages of Engels' "Condition of the Working Classes in England," and the violent splenetics of Carlyle, all of which bear testimony to its horror. And the tale is even yet not complete, for it must be mentioned with shame that the United States to-day allows the perpetuation of the same kind of infamies which have made the name of the English manufacturers a hissing and reproach throughout the world.

The break up of the medieval towns was in great measure due to the exactions of the gilds, and from the decay of these towns dates the beginning, in a rudimentary way, of the factory system. The limitations imposed upon the manufacture of articles which were in the hands of certain powerful gild-masters and the tendency on the part of these gild-masters to gain complete monopolies to themselves caused the movement of the more adventurous of the journeymen to open villages where gild exactions did not prevail, and where freedom of operation in the manufacture of commodities and something like freedom as regards the relations of master and servant, might be had.

These industrial villages were not places where the cottage or domestic system of industry was carried on, but were populated by laborers and their families, as-

sociated under control of one person, who organized this labor upon capitalistic lines. That is to say, there was a direct freedom from restrictions in the matter of wages and hours of labor which the gild system had imposed, and at the same time there was a disciplinary control which did not obtain under the domestic system, here the middle-man had nothing to do with the organization of industry but was merely concerned in the making of profits. It is noticeable that from these industrial villages developed many of the largest of the English manufacturing towns of the present day. Certain local advantages, such as proximity to a coal and iron region, might have made their growth inevitable, but they were promising and growing places before manufacture had become the creature of its own motive power, and this, very largely, from the fact of the liberty which was enjoyed by their inhabitants.

But it must be apparent that the organization of industry when the machines were of so small a size as to demand, generally speaking, an individual for each machine, was not altogether a very successful method of production, for although even under such circumstances, the mere fact of human association probably led to an increase in output, yet the disciplinary control and the necessity for detailed overseership made the industrial village an unsatisfactory experiment. Still some employers gained important successes even in the industrial village, and in the latter part of the fifteenth and the earlier part of the sixteenth centuries, certain of these manufacturers were very notable persons. Among these may be mentioned the famous "Jack of Newbury," who was a prominent

manufacturer of kerseys, and kept a hundred looms running steadily. He was powerful and rich enough to equip and send to the Battle of Flodden Field a hundred of his journeymen as soldiers.

This fact in itself is eloquent of the decay of the feudal nobility. In the fact that a common merchant and manufacturer could send a hundred soldiers at a time when the keeping of retainers by feudal nobles was already forbidden by law, we see the downfall of the old regime to have been practically accomplished, at least in Great Britain.

These journeymen of the manufacturers were to be employed on scores of bloody fields henceforward. They were to go shouting in their red coats after Marlborough through the fertile lands of Europe, to fight hand to hand with French journeymen on the Heights of Abraham, to engage the dusky hordes of India, and to roar through the Pyrenees in mad pursuit of what was left of the Grand Army. In blue coats they were to march through the Southern States and to break up a rival system to their own, founded on chattel slavery, they were to demolish the power of Spain in a few weeks' fighting, and to chase patriots and ladrones in vain pursuit, for years through the fetid jungles and reeking swamps of the Philippine Islands. Red, or buff, or white, or blue, they all serve the same class. "Jack of Newbury's" hundred journeymen have become the armies of the modern world—the strong right arm of the trader, wearing his badge, expending labor force on the battle field just as their fellows expend it in the factories, mines, and machine shops. The hundred journeymen, the soldiers of a mere merchant and manufacturer, upon whom the decadent

feudal nobility looked scornfully down, have grown into the great modern military system with its millions of men continually under arms, its well nigh intolerable load of vice and taxation—the great system of modern standing armies with the German war lord as its glittering commander-in-chief, and Rudyard Kipling as its prophet and laureate.

But the factory system was not to be introduced at once. The industrial villages were the first feeble attempts to initiate a system which the machinery of that day was as yet unable to properly carry out. The ground had to be cleared, the gild system abolished, free labor created, and all the encumbrances of feudal privileges and royal prerogatives cleared off the track before the panoply of the new proprietary class could be forged, and the might of broad acres, cultivated by a subject tenantry, converted into the might of humming factories, brought into existence, and controlled by a sweating and dying crowd of nominally free slaves.

War and revolution were the precursors of the change. Travail and blood is the price which nature demands for a new birth, and the introduction of the modern system was an epoch of such blood and travail.

The French wars, which were wars for commercial mastery, stimulated demand and the means at hand were inadequate to meet the requirements. How the problem of production was finally solved by the introduction of the machine has already been described and "the tumult and the shouting" died away, leaving in its place one powerful dominating people, masters of the industrial world.

In place of the quiet country districts, with the uneventful and happy life of their inhabitants, monstrous

cities had arisen, over which hung perpetual clouds of smoke. The whirr of wheels and the clangor of machinery reverberated through the alleys, where once had been green fields, and the little children who played by the brooks, and poached in the woods were imprisoned in the fortresses of the new masters and compelled to toil for their subsistence. They were flogged at their tasks often until they literally dropped, and their little bodies bruised with work and blows were huddled into the grave, in many cases, secretly, so that the world should not be informed of the sacrifice which the newly instituted factory system had rendered necessary. As early as 1795 a certain Dr. Aiken describes in plain language the change which had taken place in the habits and manners of the people, owing to the introduction of the new methods of production. He says:

"The sudden invention and improvement of machinery have had surprising influence to extend our trade and also to call in from all parts, particularly children, for the cotton mills." After enumerating the effects of this system upon the health and morals of the community, we find him saying: "The females are wholly uninstructed in knitting, sewing and other domestic affairs requisite to make them frugal wives and mothers. This is a very great misfortune to them and to the public as is very easily proved by a comparison of the laborers in husbandry and those of manufacture in general. In the former we meet with neatness, cleanliness and comfort, in the latter with filth, rags and poverty."

It must not be supposed that the working classes succumbed to the factory system without a struggle. They were, for the most part, literally starved into it. Their old methods were absolutely powerless against the new,

and want confronted them if they did not take their places along with others of their class in the factories. They regarded the new employment with loathing and contempt, and a girl who worked in the factory was treated with a certain contumely by other working girls who had not labored at a machine. It was, even as late as the forties, the boast of many Lancashire working-class families that they had never worked in a factory, and even to this day, though the old form of hand-loom weaving is entirely abolished and the great majority of the people have been driven into factory-work in one form or another, the same stigma attaches, in some degree, to the occupation.

This is not surprising when the actual conditions under which labor was performed in these places are considered. Physical and moral degradation of the lowest type and the very crudest species of brutality were the concomitants of the system in its inception. It is very doubtful if in the most tyrannical times of human history, when slavery was at its lowest point, and unlimited power of life and death over chattels, was the recognized right of their proprietor the mass of men suffered more. Nay, it is almost certain that the suffering was in reality less, for there existed in slavery a certain personal relation which tended always to obviate the most brutal of its features and a slave possessed a certain pecuniary value which could not be replaced in the event of his death. In the factory system and indeed in the entire modern system the personal element is practically abolished and the proprietor is seldom brought into actual contact with his employes, hence the finer feelings are not called upon. Again the free market, by placing an unlimited field of labor exploitation at the disposal of the employer, does

away with the necessity of any care on his part for the physical well being of his work-people.

It was owing to these facts that the employing classes of England were so obtuse with regard to the treatment of their "hands," and well meaning philanthropic factory-owners would go on their way to meetings called for the abolition of negro slavery, passing, as has been said, their own factories, blazing with light and humming with activity, where little children of their own race were wasting their feeble lives in hard and unremitting toil, averaging sometimes as much as sixteen hours, and frequently fourteen hours a day.

The time came, however, when the enormity of the system began to impress itself upon the minds of the people at large and an efficient and active agitation was commenced against the excesses of the manufacturers. This was a very difficult task, for the politicians were wedded to the economic doctrines of individualism or "laissez-faire," as the slang expression ran, and any interference with the existing order in the direction of what was, curiously enough, called freedom of contract, met with the most violent opposition on the part of those in authority, and, particularly, at the hands of those who were considered to be the popular leaders, the radicals. This party represented the interests of the manufacturing classes and opposed with might and main the least invasion of their sphere. Such men as John Bright vehemently contested every effort to ameliorate the condition of the workers. The philanthropists had to contend not only with a stupid and unthinking populace, but with the intellect of the time. The economists were leagued together to defend to the last ditch the freedom of children to contract their lives away, and of women to labor in

unhealthy and immoral conditions. Not only this, but the proletariat itself had become to a great extent debauched by the system in which it was compelled to labor, and many of the men deriving an income from the labor of their own children, opposed the agitation for the release of their offspring from what was worse than slavery.

These two features of this period of agitation are well worth more than a passing notice, for they are most valuable as showing the incapacity of the people in authority to consider and provide against actual evils in a dominant system.

The possessing classes and their intellectual servants are invariably the enemies of popular movements. They are wedded to the present, for from the present they derive their power, and any interference with the existing order is naturally enough regarded by them with apprehension. This astigmatism though unrecognized, is none the less there, and may be described as almost instinctive. It is the same, not only in economics, but also in art and literature, and all other matters connected with social life.

The factory system might have existed until it had actually destroyed all the vigor and force of the English stock, as it narrowly escaped doing, if it had not been for the antagonism between the possessing landed classes and the purely commercial class.

Heavy duties had been imposed upon grain in the interests of the landed classes. These duties were regarded by the commercial classes as a due levied upon themselves, and tending to impede the progress of industry, thus placing them at a disadvantage. Hence arose the agitation for the repeal of the Corn Laws by which the manufacturing classes hoped to reap greater profits and to effectually offset the competition which was arising on the

continent of Europe in manufacturing for the world-market and which is today bearing fruit in the aggressive commercial tactics of Germany.

The Corn Laws were repealed and the landed gentry were plunged from affluence into comparative poverty, the agricultural interests of Great Britain were sacrificed to the commercial interests. Prior to this, however, the representatives of the landed interests had made a beginning of the Factory Acts and had supported the efforts of the philanthropists and reformers. Hence was born that curious hybrid denominated Tory Democracy which, by pretending to support the working population in its struggle against the employers, has converted a great number of the manufacturing towns, formerly the source of strength of the Liberal or capitalistic party, into steady supporters of a so-called Conservative party. But the course of time has wiped out these distinctions, and the landed party has saved its hide, so far, by amalgamating with the manufacturers and forming one great party for the upholding of the greater capitalism. This, by the way, but it is obvious therefrom that not from philanthropy, or even from the most generous sentiments does progress come, but from the conflict of material interests which impel classes of men to go down into the arena and fight for them, as Lassalle, with a somewhat hyperbolic oratory, says that we are forced by our ideas.

The fact that the working classes themselves opposed their own deliverance is considered by some as evidence of their irreclaimable sordidness, but it is, as a matter of fact, merely an evidence of the terrible struggle which they must make in order to exist. It was continually preached to them that the reduction of the hours of labor meant the reduction of wages and, as want, even in the

best circumstances, stared them ever in the face, they shrank back in alarm at the prospect which the philanthropist held out to them, for one must live, even if he lives like a dog.

There is nothing to be gained by following further the course of factory legislation. Suffice it to say that once begun, act after act was passed to make the condition of these slaves more tolerable, and though little enough has been done up to the present, the conditions are infinitely improved and there is some grounds for the belief that the improvement will be constant and progressive. It is worth noting, however, that these reforms were not carried out without much labor and care, and the first acts were rendered almost abortive, owing to the wicked carelessness and negligence of corrupt officials. Factory inspectors regularly shirked their duties and the whole feeling of coroners' juries, of the school authorities, and even of the great mass of the clergy, was for the most part on the side of the factory owners. But for the unremitting zeal of the reformers, and for the formation of trades unions, by the workers, the acts would have been rendered practically valueless. The same thing is common enough nowadays, everywhere, and legislation which should protect the worker is made a mere farce by the purchase of officials and inspectors by the class in power. Thus we frequently read of mining inspectors reporting workings as free from gas, and a few hours afterwards in those very workings many workers meet the death from which the inspector was employed and paid to protect them.

Yet progress is made and in that fact lies one of the chief values of the factory system. The possibilities of inspection and improvement are simply unlimited, and there is no reason why this mode of labor should not be

rendered at once comparatively pleasant or, at least, entirely decent and respectable.

It has been noted that the first periods of industrial systems display all their worst points. They come into existence unregulated and unassuaged and thus work their evil before the masses of the people are aware of their deficiencies. Thus it was with the system of slavery in Rome. The law of the later Roman empire shows, stage by stage, a recognition of the evils wrought by unregulated slavery, and a constant effort to repress the most obvious of these evils. So it was with the factory system. Its first evils have been mitigated, and in some cases entirely removed. But just as the gradual improvement of the condition of the slaves presaged the abolition of slavery, and the practical delivery of the servile masses from the yoke of their master, so the gradual improvement in the conditions of factory employment, and the insistence by the State upon the more humane treatment of the factory employes means the abolition of the factory system as a means of individual exploitation and the substitution for it of free collective labor.

This is a long cry, but that it has a certain basis in reason may be seen from a consideration of the effect which the factory system has had upon the operatives themselves. This will show that the factory system is by no means to be entirely condemned, even from a standpoint of the workers.

Mr. W. A. S. Hewins in his "English Trade and Finance, chiefly in the Seventeenth Century" makes the following strong and, to those who have been in the habit of generally denouncing the factory system, inexplicable remarks: "The factory system gradually gave the workers back powers which had been in abeyance for two

centuries. It made possible new manifestations of the spirit of association which had been well nigh quenched, and in spite of its many deplorable features it must be considered an upward step in social development."

In order to see the full force of this statement a comparison must be made between the factory system and its immediate predecessor, the domestic system, of which some slight mention has already been made.

Under the domestic system, the industries were carried on sometimes in small manufactories but, for the most part, in cottages and dwelling houses, the finished product being delivered into the hands of a middleman, who in turn had to warehouse it, and if it were intended for export, hand it over to a carrier, who took it by the very imperfect means of transportation then in use, to one or other of the ports where the trade was controlled by certain privileged merchants. So the whole progress of the product from its raw state to its final market was marked by the exactions of the various middlemen, or factors, from whose predatory enterprise there was no possibility of escape.

The working classes were the abject slaves of these factors. It is true that they worked in their own houses and so were free from the interference of the overseer and were spared the humiliation of the personal indignity which the factory overseers were able to inflict upon the factory workers. But the factor held their life completely in his power, for he could cut off their source of livings. If the cottager refused to accept the terms of the factor, the latter could simply refuse to supply him with the raw material, and separation from the raw material meant starvation or, at all events, threw the workman back upon the precarious subsistence which his garden and

such odd jobs as he could get from day to day afforded. Not only that, but when the work was done the mode of payment lay altogether in the discretion of the factor, he could pay in kind or money, and force his payment upon the worker in spits of the Acts of Parliament which were intended as a protection of the laborer, and thus force the workman who had completed his task into the acceptance of "truck." And, as the writer above quoted points out, the factor could always gratify his spite and malevolence by having the weaver, who carried on cottage industry, arrested for embezzling cloth, and whipped or put in the stocks. This was all the easier when we consider that the magistrate and the folks in authority were, as usual, all on the side of the factor and that no workman had much chance of getting anything approaching justice.

Again, even had stringent laws against the formation of trades unions not been in force, it is difficult to see how such scattered individuals could possibly have combined to resist the attacks of the factors, as there was none of that cohesion and association which are the necessary prerequisites to combined action.

When these drawbacks to the domestic system are fully perceived, the justice of the quotation above made becomes at once apparent. The factory system rendered possible the association of workers, without which the life of the laborer is only a prolonged misery; it endowed him with all the strength and confidence which proceeds from a feeling of harmony of interest with his fellows, and thus paved the way for that intelligent co-operation upon which the future of the working class so largely depends.

There is one aspect, however, in which the work

under factory regulations appears at a manifest disadvantage as compared with that of the domestic system, that is with respect to its monotony in the factory. There is a ceaseless flow of the same motions, a constant repetition of the same functions with a resultant action upon the human system which tends not to happiness but rather to a debilitation of the nervous system. The domestic system, on the other hand, with its cottage industry, gave a greater diversity of the occupation and thus tended to the greater physical well-being of the individual. The cultivation of the garden patch, the care of the cow, the little extra field-tasks which seed-time and harvest demanded, all took the toilers away from the loom or wheel for breathing spells, and gave them a taste of freedom and change which the workers in the great modern factories amid the closeness and overcrowding of city life never enjoy. We must also take into account the loss of caste, which the worker has undergone by the transformation of himself, as an individual, with his individual responsibilities, into a mere part of a machine, for that is all that he is in the factory system, just as much a factor in the mechanism of production, as the very machine by whose movements his own are regulated. He loses his identity in the common mass and thus part of his accountability to his neighbors; his respectability is extinguished by his environment, and he undoubtedly feels the effects of the nullifying force of his occupation upon his ethical standards. The recognition of this result probably tended, as much as anything, to lower the occupation of factory "hands" in the estimation of the laborers not employed in factories, in the earlier epochs of factory history. The same fact, no doubt, contributes to the lowering of the standard of morality in city life in comparison with that

of the rural districts, and this consideration must also serve to offset the advantages which have been gained by the organization of the factory industry.

The decay of handicraft has also attributed very generally to the introduction of the factory system, but it is by no means clear that this is the case. The decay of handicraft is primarily chargeable to the break-up of the gilds which undertook to keep up a certain standard, and this attitude reacted favorably upon the general product. On the other hand, it does not appear that the standard of handicraft was any higher under the domestic than under our present system; in fact, the latter days of the factory system have been marked by a growth, rather than a deterioration in handicraft.

The reason of this is not very far to seek. The operation of the Factory Acts has given greater leisure to the workers and much of this leisure has been spent in self-improvement. Thus singing societies and scientific and literary societies have sprung up among the masses of the toilers, and the Arts and Crafts Gild and such other organizations have had a considerable influence in calling the minds of the workers to the consideration of art in handicraft.

As regards the actual products of the factories themselves but little can be said in their favor. They are cheap and that is the best, and at the same time the worst that can be said of them. Cheap products are as a rule the products of cheap men and it will have to be admitted that the standard of production of the factories has tended to vulgarisation, and to deterioration of the public taste. This has been insisted upon so strongly and so ably by men like William Morris that there is no need to pursue that side of the question farther at present.

This view of the deteriorating influence of the modern system upon artistic handiwork has recently received corroboration from an unexpected quarter. The artist, the critic and the workingman may in the eyes of the money classes be safely ignored and their opinions laughed at, but when the Viceroy of India takes occasion to expatiate upon the same theme, it becomes evident that the constant attacks upon the artistic deformity of factory production are at last beginning to produce some effect. Lord Curzon at the recent Durbar is reported to have spoken to the following effect:

"They were witnessing in India one aspect of the process which was going on throughout the world, which long ago had extinguished the manual industries of Great Britain and was rapidly extinguishing those of China and Japan. Nothing could stop it, because it was inevitable in an age which wanted things cheap and did not mind their being ugly; which cared much for comfort and little for beauty," and after admonishing the Indian princes to do all in their power to preserve the traditional skill of the Hindu people the Viceroy concluded despairingly, "So long as they preferred to fill their places with flaming Brussels carpet, cheap British furniture, Italian mosaics, French oleographs, Austrian lusters and German brocades, there was not much hope."

It is evident that the factory system can furnish no solution of the problems involved in the question of a revival of art-industry. The machine can never make an artistic product, and a revival in the manufacture of artistic commodities can only arise in response to a widespread development of artistic taste. But, under a proper regulation of the machine industry the hours of labor may easily be reduced so as to furnish sufficient leisure

to the artisan class. This leisure will, in turn, lead to a demand for better surroundings and hence, probably, to the revival in some degree of esthetic taste.

Whatever may be the results, the system is with us, and, as far as can be at present seen, is destined to be long lived, for unless society is to prove false to its own laws of evolution, there does not appear to be any reason to anticipate any simplification of the process of manufacture, but rather a still further development in the direction of greater intricacy, with still greater insistence on the social and less on the merely individual factors.

The organized co-operation of Man and Machine is the salient feature of the system.• One single moving force animates and drives a number of different machines, and sets in motion a collection of various agencies each of which contributes its quota toward the production of a definite result. In obedience to this force and the amount of the machinery thus engendered, the human beings co-operating in the common task are set in motion, and man and the machine combine their movements towards one definite end. Each part of each machine must perform its function, or the work ceases; each human being must sink his individuality in the common task or the operations cannot proceed, and the creation of the product is interrupted. Man and machine are merged together in the one all-absorbing task.

The factory has been thus defined:

"Combined co-operation of many orders of work-people—adult and young—attending with assiduous skill a system of productive machines continuously impelled by a central power."

Another definition of the system runs as follows:

"A vast automaton composed of various mechanical

and intellectual organs acting in uninterrupted concert for the production of a common object, all of them being subordinated to a self-regulated force."

Here, it is evident, we get the perfection of human organization. The motive force is single, the working force is completely organized, and the product appears as the product of collective labor, free from the distinguishing marks of individual effort.

No longer can the workman say that any particular portion of the result is his own handiwork; his contribution is swallowed up in the collective effort; the result is the result of the organization which levels all distinctions of ability and physical strength, and reduces human labor to one common average.

In face of this fact the complaint made by employers that trades unions interfere with the right of individual ability to receive its due reward falls to the ground. Under a disciplinary method, such as is maintained in a modern workshop carried on under the factory system, such individual ability will have no chance to display itself, and any attempt to revive a system of individual payment of wages upon the basis of individual output would only lead to a lowering of wages and the tyranny of the employer over the individual workman, precisely the state of things against which the trades unions and factory legislation have worked for so many years. In other words, the factory system by its very form of organization converts production from a matter of individual effort to a matter of social concern. Thus the unrestricted authority of the factory owner simply endows him with the power to use a social function for his private purposes and gives him the advantages which arise from social effort and the experience of the race

without any adequate compensating returns to society therefor.

The solution, then, of the factory question consists in the recognition by society of this fact, and the application of it to the system itself. This of necessity involves a series of attacks upon the position of the employer and converts the question into a cause of conflict between the two parties interested. The employing or capitalistic class naturally aims to gain as large an amount of profit as possible even at the expense of the well-being of the workers and is prepared, as it has ever been, to sacrifice the laboring classes, and hence the nation itself for its own peculiar class-interests. The laboring class, on the other hand, is equally anxious to gain as fair a livelihood as possible with the least possible expenditure of physical energy. And as national welfare depends primarily upon the physical well-being of the masses the cause of the laborer becomes of necessity the cause of the nation, and thus citizens who are patriotic in the true sense of the term, that is, careful for the real interests of their own country, naturally incline to the side of the laborer. This tendency is offset, however, by the power of money, the corrupting influences set in motion by those who are able to offer immediate personal gain to those who will take their side, by the propaganda of false ideas of national glory by which patriotic sentiments are used as a cloak for the basest of personal interests, and by actual threats of deprivation of work and consequently of even bare subsistence.

The problem is somewhat modified by the better organization of industry and the annihilation of numbers of small individual producers. On the other hand, a

growing consciousness of the identity of the interests of the laborers renders the attack upon the intrenched capitalists more effective. Thus, on the whole, in spite of many serious drawbacks, and in spite of the much disputed, but still obvious fact that the rate of wages by no means keeps pace, in proportion, with the increase in actual production, the laborer in the factories has gained, and the tendency once begun, as it has been already begun, cannot well be seriously interrupted. The path of true reform of the factory system is obvious enough. The trades unions should be able to maintain their rate of wages and even to improve upon it, and if so far they have not been able to do so, it is a reflection upon their methods, which should cause them to overhaul the machinery and to find exactly where they are wanting. It will be discovered, as a result of such examination, that they have neglected the weapon which is at once the readiest and the most effective, that is, their own political power.

Continual watch must be kept upon the employment of children, and the minimum age of employment constantly raised, until the disgraceful institution of child labor is completely abolished.

The inspection of machinery and sanitary arrangements should be thoroughly carried out, and more and more stringent provisions made in regard to these matters; for with our present improved system of building, there is no reason why the factory should not be converted into a convenient and healthy place of labor.

Many other suggestions have been made to improve the condition of factory laborers, most of which are so obvious as to require no special mention.

It will be seen that such modification in the factory

system can hardly be made without diminishing, in some degree, at least, the profits of employers, and that consequently they will meet with bitter opposition, and it will be further seen that these modifications cannot be successfully carried out while the political power remains in the hands of the present possessing classes. The first preliminary, therefore, to reform of the factory system is the growth in political power of the laboring classes.

The development of the working class from a subject to a dominant class involves the substitution of a higher system for the factory system of to-day and, as far as appears at present, such substitution can only be accomplished by means of the actual efforts of the working class itself. It will thus be seen that the factory system may be rendered as effective a means of social advantage as it has hitherto been of mere individual profit; and, so far, this is the only method of industry of which that can be truly said.

CHAPTER IV

EARLY INDUSTRIAL HISTORY OF THE UNITED STATES

During the period of the domestic system of production in Europe occurred the first European colonization of that portion of an American continent which has since become the greatest industrial power in the world—the United States. The English settlements, begun on the Atlantic Coast, had progressed until by the time of the industrial revolution in Britain in 1760, they had about four millions of people. The defeat of the French in the struggle for dominance of the New World left these colonists free to work out their destiny in a country of almost illimitable extent. They were to accomplish their national growth, to unite, to control the politics of an even greater domain than was then spread out before them. The last vestige of the former European control was to disappear in the elimination of the Spanish influence in the West. They were to spread from ocean to ocean and ere a century and a half had passed to aspire to the dominion of the entire continent and to have already fastened the tentacles of their capitalistic class upon the Orient.

The United States is the child of the Industrial Revolution. Its birth is almost coincident with that of the steam-engine and the factory system. It is a thoroughly bourgeois product and it has shouted the gospel of the bourgeoisie and proclaimed the virtue and

vices of that regime more loudly than any other people. It has proclaimed itself to be the leader of human liberty and progress by virtue of a revolution made in the names of ideals of liberty. In reality its revolution was made in terms of money and trade. It was carried through with the most pompous announcements of human liberty which hardly veiled the real designs of its instigators. It denied its professed theories at its very inception by the proclamation of human rights and the acceptance of chattel slavery. The cynicism of that first treason to its publicly advertised theories has persisted in its people until the "mocking devil" in their blood has become a by word among the nations.

Its inhabitants, of religious stock, and filled with the calvinistic interpretation of the scriptures, have produced a civilization in which life and property are more insecure than in any other portion of the civilized world. Its declarations of individual liberty have led to the institution of a most remarkable system of social and industrial tyranny. Time has laughed at its proclamation of the abolition of classes and has brought it about that two classes in the community eye one another with vindictive hatred and the country trembles upon the verge of the most colossal labor war. Its original inhabitants, frugal and law abiding, would not recognize their descendants in the fierce, keen eyed, calculating race which has made the country conspicuous for wanton waste and extravagance, and has reduced the administration of law to a matter of social and political influence.

Within a century and a quarter the vast national domain, which seemed inexhaustible, has been taken

from the masses of the people. A slum proletariat has been created. All the advantages which the possession of a new country, free from feudal traditions, gave the original founders of the republic have been lost. A purse-proud oligarchy without any social obligations has come into existence. It has destroyed all the guarantees of freedom and independence which the fathers fondly thought secured them from the evil lot of the European. From an isolated, petty-bourgeois, republic, America has developed into a great modern state, in the circle of high finance, in the grip of the greater bourgeoisie, under the heel of the money power, with a proletariat as unsettled and as revolutionary as any in Europe. The next step for the United States, as for the remaining nations in the modern civilization, is the social revolution.

The British colonists who constituted the first really important settlement on the American continent brought with them the methods and ideas of the domestic system of industry. The economic organization and the tool of the early part of the seventeenth century were theirs by right of inheritance. Thus the earlier American system was largely a facsimile of that of the British Isles prior to the great industrial revolution of 1760. The agrarian system of the South was, on the other hand, a product of the surviving English feudalism. The great planter was the lord of the manor and ruled somewhat after the feudal fashion. The planter's house was the social centre as well as the centre of political influence. The fact of slave labor and the cultivation of large estates under a sys-

tem of slavery, together with the existence of numbers of poor whites, who were not of the same class as the great planters, constituted another reason for the almost absolute sway of the Southern landed class. In the North the commercial and industrial class, which was then in a rudimentary stage, was the master. The Northern leaders of public opinion and the dominant class in church and state were therefore essentially bourgeois. Their English antecedents had been bourgeois. This fact affected the estimation in which they were held by the British landholding and aristocratic classes. These latter always persisted in regarding the North as inferior and nearly one hundred years after the Revolutionary War, when North and South were engaged in mutual srtife, English society maintained that the party of the South was the "gentlemanly party." The differences in occupation and in the economic milieu of the two classes, moreover, laid the foundation of those differences which were to culminate, one hundred years after the industrial revolution in England, in the conflict already mentioned.

At the time of the Revolution therefore the forms of industrial activity may be briefly classed as agricultural, conducted in the North by free farmers, and in the South by the lords of the negro slaves. There was little differentiation in occupation, for farming constituted the staple work, just as under the domestic system everywhere, and such additional trades as were carried on, for the most part, monopolized the time which was not taken up with husbandry. Even so, there had been a marked industrial progress noticeable in the colonies prior to the Revolution. The shipbuilding trade had developed to such an extent that the ships

of the colonies were by no means unfamiliar objects on the high seas and smuggling was a recognized occupation. The iron industry, which was still in its earliest infancy, had yet been born, and there was laid the foundations of the industrial system which, given modern machinery, was destined to entirely alter the social structure of the community. The spinning wheel and the hand loom had come over with the original colonists and the domestic needs were supplied by the women of the household. Sheep had been early introduced and the woolen trade prospered. Cotton goods were also manufactured and there was a beginning of the iron manufacture. In fact, during the latter part of the colonial period there had been such a development of manufactures under the domestic system that the British capitalists, who regarded the colonies as a field for exploitation, had passed numerous acts limiting the commerce of the country and forbidding the exportation of manufactured articles.

The condition of the people was much the same as across the ocean, except that the squire and the parson were not so powerful, so that it must have seemed a veritable paradise to English villagers who suffered under that double tyranny. But the same narrow-mindedness and the same deference to local authority prevailed. The life of the workers under the industrial system, generally termed domestic, has been described by Engels in the following terms: "So the workers vegetated through a passably comfortable existence, leading a righteous and peaceful life in all piety and probity." The same description will apply to the inhabitants of the Northern colonies in the period preceding the Revolutionary War, particularly with re-

spect to piety, for they were, for the most part, devoted to some of the many religious expressions in church life of the Puritanism of the seventeenth century, which are generally classified under the name of Protestant Dissent. The probity was not, however, so conspicuous, for the merchant class was devoted to smuggling, and, like their English progenitors of Bristol, did a lively trade in the carrying of slaves, although this trade had been given practically as a monopoly to court favorites.

The relation of master and servant prevailed. The proletariat, as we know it to-day, did not exist, and the subordinate position of those who worked for wages was accentuated by the survival in the colonies of the old system by which rates of wages were fixed, and a long and servile apprenticeship was necessary to the practice of any one of the independent handicrafts. The tyranny of the system was to a certain extent mitigated by the fact that there was always the wild back country to which the actively discontented and the stronger could always betake themselves and establish a habitation, after fierce conflict with the dangers of the wilderness and the aboriginal tribes.

Such was the aspect of industrial life in the colonies when the dawn of the great industrial revolution broke in England. Henceforth the quiet progress of the colonies was to be rudely disturbed. War was to break out; the form of government was to be changed. The free farmers and the followers of domestic industry were to be chased the length of a continent for a hundred years and finally to be run to the ground and destroyed. Their descendants were to be the slaves and handmaids of the greater industry which had not appeared but

which was slowly growing in the womb of the domestic system and only needed the fullness of time and the quickening touch of the industrial revolution to bring it to life.

The historic fiction that the Revolutionary War was caused by the imposition of the Stamp Duty and by the particular form of taxation adopted by the British government has long since been discarded by those who have carefully examined the causes of the Revolution. These were admirable points on which to make the fight but the fundamental causes were deeper and involved the necessities of the bourgeois class in the colonies. The growing industries of the country were limited and cramped by the legislative enactments of the British government. Act after act was passed forbidding exportation of certain manufactured goods and aimed at the preservation of the carrying trade for British shippers. Laws against the trade of smuggling were passed and partially enforced. But these grievances, harrowing as they afterwards became in the speeches and pamphlets of the revolutionary fathers, were but lightly denounced, until the growth of the industrial revolution in England pointed out to the patriotic lovers of liberty on this side of the Atlantic a readier means of making money and acquiring power. For this, independence was necessary. The commercial and industrial classes, the speculators in land values, the shippers and the incipient manufacturers could not hope to achieve the position which they craved under the control of parliament and the domination of the court, the landed aristocracy, and the growing merchant class of Great Britain. Besides these main causes there were unquestionably a number of

subsidiary reasons which had great effect upon the minds of the young in particular. Among them may be noted the lack of political and social opportunity which the perpetuation of the colonial system shut out from the lawyer and ambitious young politician of the United States. Certain social factors, such as irritation with the superior airs of the British officials and the arrogant tone of London society towards the colonies, undoubtedly played their part and ranged the ambitions and intellects of the young men against the British government and in support of the manufacturers and merchants, of whom the latter were at that time by far the more important.

The Revolutionary War was essentially a class war; history, as taught in the public schools, notwithstanding. There never was any great enthusiasm for it among the rank and file of the working people. It is very doubtful whether the mass of the people were really in active favor of the war and, according to the historians, it is pretty evident that at no time did an actual majority favor independence.

The close of the war, however, found the new American bourgeoisie in full possession of the field and ready to develop their power. They had not suffered particularly in the conflict, the great burden of which had been borne by the common people. In fact the commercial classes had actually benefited, for the government gave them security in the collection of the debts which the other part of the community had been obliged to incur during the progress of the war. A government was needed to carry out the demands of this class and the form of Confederation which prevailed at the close of the war was too unwieldy and of

too little value to be really effectual. In place of the loose agglomeration of communities, which existed under the Articles of Confederation, a federal constitution was necessary to the interests of the budding capitalism. It has been said that the delegates to the constitutional convention were brought together not for the purpose of devising some ideal form of government but to make such a "practical plan as would meet the business needs of the people." The upshot of the constitutional convention was that a document was framed, which, in the words of one historian, McMaster, had the result that "all who possessed estates, who were engaged in traffic or held any of the final settlement and depreciation certificates felt safe." The victory had been gained and the final result was complete and unmistakable triumph for the merchants and the financiers, such as then existed. The manufacturers were to have the advantage of a tariff law and a compromise was arrived at with the Southern planter element which permitted the continuance of the slave trade until 1808.

So the commercial and industrial masters were firmly planted in the saddle, but the circumstances were not yet propitious for the creation of a proletariat of the modern type, though but one year was to elapse before the factory system had been established on the soil of the United States. Political independence did not by any means at first spell industrial independence. The new machinery, with which the inventive genius of the pioneer inventors in Great Britain had endowed the capitalistic class in that country, was not procurable in the United States and the country was in a state of industrial vassalage. The new bour-

geoisie looked with hungry and covetous eyes across the Atlantic, where their brother bourgeois were rapidly breaking up the old fashioned form of industry, and were driving the domestic industry out of existence. The English bourgeois were well aware of the advantage which the possession of these new tools of production conferred upon them, and they were unwilling to give the secret to others, so that they had passed the most stringent acts of parliament against the exportation of the new machinery. The Americans tried by every means in their power to obtain possession of this essential secret. They advertised for men used to the English machinery and the advertisement caught the eye of one, Samuel Slater, who knew the new tools by heart, and who crossed the Atlantic to place his knowledge at the service of the United States capitalists. In 1790 he erected at Pawtucket the first factory in the country and endowed America with the modern system. So rapidly did the new system of production progress that by 1814 the American manufacturer had actually improved upon the model of his English predecessor and a factory was erected at Waltham, Mass., in which all the processes from the raw to the finished article were carried on. By 1815 the textile industry of the United States had passed into the factory system, and the old domestic system, as the dominant mode of manufacture, was practically extinct. Then began the employment of women in the factory. There was precisely the same objection to the taking of work in the factory on the part of the American women as there had been in England, and extra inducements in the shape of pay had to be offered before the women and children of the commu-

nity were handed over to the factory owners. But the machine owners had the economic power and the history of the women and children of the community henceforward may be briefly summarized as a constant surrender to the industrial lords. The early days of the factory system of the United States do not, however, seem to have been disgraced by the cruelties of the English system. This is not to be explained on the grounds of any greater humanity on the part of the employers on this side of the water, but was due largely to the sparse population which made the obtaining of employes difficult, except under fairly good conditions, and to the existence of the back country, which always afforded a desperate remedy in the event of life growing unbearable in the settled districts. In 1793 the cotton gin, invented by Eli Whitney, gave a great impetus to the cotton trade and, while it increased the power of the South to such an extent that it made it the dominant factor in the community for many years, it stimulated the textile industry, for, without this invention, it would have been impossible to have supplied the machines with the material which they required. Everything conspired to develop the machine industry. Even the European wars, with the consequent embargo, necessitated a development of manufacture and the war of 1812, which was followed by the imposition of a tariff for the payment of the debt incurred by that conflict, encouraged the factory system.

In 1825 the Erie Canal was completed and changed the course of immigration, and steamers began to ply on the Mississippi a little earlier, facts which had a considerable influence in giving the Northeast part of the country an advantage over the Southern, which,

later on, was to prove very important in the determination of the contest between the two sections of the country.

The progress of the country in industry and manufacture was henceforth constant and there is no need to pursue it further here. The iron and steel industry developed, and in 1840 the discovery that bituminous and anthracite coal could be employed in the blast furnaces instead of charcoal gave a great impetus to this branch of industry. Still even in 1840 the development of organized industry had made comparatively little way, for Harriet Martineau, in her list of the occupations followed by women in America, enumerates only teaching, needlework, keeping boarders, working in cotton mills, type setting and domestic service. A list of the present occupations followed by women, in connection with the greater capitalism and its ramifications would show how much greater progress has been made by the industrial rulers since the Civil War than before it. The explanation is to be found, of course, in the existence of the vacant lands and the frontier, and affords proof that the proletarian has been unwillingly forced into this industrial system and that he has only succumbed to his present wage slavery under the compulsion of the hardest economic tyranny.

With the entry of the country into the modern system there came also the unavoidable penalty in the shape of the commercial crisis. Great Britain had just had her first taste of the trouble that was to be permanently attached to the new industrialism and which was at intervals to cause havoc and waste, as though by war. In 1815, at the close of the Napoleonic wars, the first crisis caught her. Owing to the backward de-

velopment of international trade at that time she had the trouble all to herself, but, in 1819, the United States felt the pinch owing to over-speculation in the new factories. Six years after another crisis made itself felt in England but passed this country by, it being then in the high tide of the boom which was to break disastrously twelve years afterwards and was to involve both Great Britain and the United States in the worst panic and period of financial depression which had occurred up to that time. Concerning the relations of Great Britain and the United States in the period preceding the crisis of 1837, Mr. H. M. Hyndman says, in "Commercial Crises of the Nineteenth Century":

"Now, however, became apparent the close connection of the English commercial and financial markets with those of the United States, which, then and ever since, has rendered it inevitable that an industrial or financial crisis in the one country should more or less seriously affect the other. At this time, 1836-1839, the United States were still, economically speaking, a dependency of Great Britain, though more than sixty years had passed since the Declaration of Independence. North America, in fact, stood to England in much the same relation that the Australian Colonies do now. The Great Republic supplied the Lancashire mills almost exclusively with cotton, as Australia now supplies Bradford, Huddersfield and other cities with wool. In like manner also the United States, both as a Federal Government and as independent States looked to this country for loans to develop their immeasurable resources."

It was an era of wild cat banking and when the fevered period of credit passed and coin was called for

al the banks in the country suspended specie payment and more than fifteen hundred banks failed.

Another trade crisis which occurred in England in 1847 also made itself felt in this country, but in 1857 the United States had so far progressed on the road to industrial independence that we were able to prove our worth as a modern, industrial and progressive nation by inaugurating a crisis of our own, concerning which Mr. Hyndman, in the work above mentioned, says: "America had the honor of commencing the worst crisis of the century." This author says: "A report published at the commencement of 1857 stated that the year 1856 had given results of which the past afforded no example. Enormous advance had been made in the cultivation of new territories, the produce of harvests, the extension of factories, the exploitation of mines, the exports and imports, the carrying trade, shipbuilding, the railway returns, the spread and improvement of cities" had developed at an incredible rate. The banks were lending beyond reason and the stocks which had been bought speculatively in the expectation of another rise filled the warehouses. Then came the withdrawal of deposits, and the hoarding of gold and silver, with the result that the crash followed and fourteen great railways suspended payment.

The object of Hamilton in pushing the federal system to success was undoubtedly "the creation of a class of manufacturers running through all the states but dependent for prosperity upon the federal government and its tariff." Such being the case conflict could not be avoided with those classes which were not engaged in manufacturing and were not directly or indirectly dependent upon the manufacturing interests and,

as a matter of fact, these interests were by no means predominant, even in the North Atlantic States, at first. The commercial class was the chief economic class, even in these districts, and the members of the commercial class, together with the Southern planters and the frontiersmen, who were taking up the new lands and founding new communities, were by no means always in accord with the rising industrial class. Hence the whole international political life of the country was involved in a tariff fight, and the question of the kind of tariff, or no tariff at all, was the burning political question for many years. The tariff of 1816, which was imposed to pay the cost of the war with England in 1812, was largely in favor of the manufacturing class, for it imposed a duty of twenty-five per cent ad valorem on cotton and woolen goods and specific duties on iron. In the iron industry Great Britain had gained already considerable advantage from the fact that in that country the use of coke had been substituted for charcoal, with a resultant cheapening of the product. It was not until about 1840 that the United States by the use of anthracite coal, placed the iron industry on a satisfactory footing, and removed the seat of that industry from the forest localities to the regions where iron and coal were found in close conjunction. An attempt to employ the tariff for barefaced class purposes found its expression in what was known as the "American System." This has been thus described: "The tariffs of duties on imports were to be carried as high as revenue results would approve; within this limit, the duties were to be defined for purposes of protection, and the superabundant revenues were to be expended for the improvement of roads,

rivers and harbors and for every enterprise that would tend to aid the people in their efforts to subdue the continent. . . . . Western farmers were to have manufacturing towns at their doors, as markets for the surplus which had hitherto been rotting on their farms; competition among manufacturers was to keep down prices; migration to all the new advantages of the west was to be made easy at national expense." (See U. S. Hist. and Const. by Alexander Johnston). Needless to say that this sort of protection was much opposed by the South which saw in it merely a scheme to increase the power of the Northern commercialists and manufacturers. The dissatisfaction of that district still further increased when the tariffs of 1824 and 1828 showed an upward tendency in the imposition of duties. A reduction of the tariff under Andrew Jackson was effected in 1833 and, although there was an attempt made to return to a protective tariff in 1842, the frontier and the South had the better of the tariff matter until the Civil War. The interests of these sections were obviously in favor of a low tariff. At one period when the Southern planters feared an invasion of their practical monopoly of the supply of raw cotton and the possible loss of a portion of the British market they were content to allow such tariff as would enable the North to remain a steady customer for raw materials for their mills and factories. When this danger was passed, however, they reverted to their old antagonism to the tariff, since it was to their interest to maintain their slaves as cheaply as possible and, as the dealers in a practical monopoly, they were not benefited by the imposition of duties.

The westward tide of American migration also had

a profound effect upon the politics of the country. The opening of the great waterways increased the facilities of transport to such an extent that the 240,000 sq. miles of inhabited country in 1790 had expanded into 633,000 sq. miles in 1830 with an average population of 20.3 to the sq. mile. However, even this migration westward was increased tremendously by the introduction of the steam railroad. In 1829 the first steam engines were imported from England and the speed with which railroad construction followed has had no parallel among other peoples. In 1830 twenty-three miles of railroad were built which had increased to 1,098 in 1835 and to almost two thousand in 1840. In 1856 there were in the United States 24,195 miles of railroad as contrasted with 8,297 miles in Great Britain, and these American roads had been constructed at little more than one-fifth of the cost per mile of those of the latter country. The effects of this railroad construction upon the growth of the country have been thus described by the author cited above:

"If the steamboat had aided western development the railroad made it a freshet. Cities and states grew as if the oxygen of their surroundings had been suddenly increased. The steamboat influenced the railway, and the railway gave the steamboat new powers. Vacant places in the states east of the Mississippi were filling up; the long lines of emigrant wagons gave way to the new and better methods of transport; and new grades of land were made accessible. Chicago was but a frontier fort in 1832, within half a dozen years it was a flourishing town with eight steamers connecting it with Buffalo, and dawning ideas of its future development of railway connections. The

maps change from decade to decade as mapmakers hasten to insert new cities which have sprung up. Two new states, Arkansas and Michigan, were admitted (1836 and 1837). The population of Ohio leaps from 900,000 to 1,500,000 and that of Michigan from 30,000 to 212,000 and that of the country from 13,000,000 to 17,000,000 between 1830 and 1840."

The great mass of this migration was in the years just mentioned, composed of people of American nativity. The European immigration was not important until a later period. The greatest number of European immigrants in any one year prior to 1847, was one hundred thousand in 1842, but this fell again to less than fifty thousand in the following year and did not rise until 1847, when it reached 250,000. This new European immigration was composed of the very flower of the working class of the Northern European countries. The immigrants were largely radical in their tendencies, for the failure of the Chartist movement in Great Britain and of the Republican disturbances on the Continent had sent to this Republic men imbued with radical and revolutionary opinions who sought in the great Republic the political liberty which had been denied them in their own lands. American politics were not long in feeling the different attitude of the new electorate. The American immigrants into the West had come either from slave states or from states bordering upon them and their attitude towards the slavery question was by no means markedly hostile. As pioneers and largely debtors of the Northern commercialists, their sympathies had been against federalism and they had supported the anti-industrial party, at least to a considerable extent. This new im-

migration, however, was composed for by far the greatest part of men who were violently opposed to slavery, as an institution, and who had no sentimental considerations for the South. They came in with their savings, and the land burst into wealth under the touch of their fructifying labors. They pushed forward the construction of the railroads, they broke the prairie and produced incredible quantities of food products, so that the country became a great source of supply for the millions of Europe. When the Crimean War broke out, the United States sold enormous quantities of wheat to the British, and as the victory of the Free Trade Party in England had paralyzed the wheat growing industry of that country, America was relied upon more and more to furnish the necessary food supplies. This brought the capitalism of the country more and more into connection with the capitalism of Europe and made the United States part of the great world financial system. It became subject to the same fluctuations of trade as the lands with which it traded and, as we have seen, in 1857 itself precipitated a crisis which had profound effects upon the condition of trade in Europe.

Thus, at first, slowly, but more rapidly as the economic forces came into play with ever increasing intensity, this country, which had begun its existence as a scanty agricultural settlement on the edge of a wilderness, was being drawn into the circle of the great capitalistic powers. Like its own pioneers who were debtors to the small American capitalists of the Atlantic coast, the new American capitalism was heavily in debt to European and, particularly, to English capitalists. The sums advanced for the building up of the

country had been for the most part borrowed abroad, and this also was a fact of no slight importance to the development of the United States.

The proletariat of the United States had not yet really come into existence although, with the growth of trade, this new apparition also began to show itself. When the development of industry reaches a certain point the proletariat shows itself, as a baby, weak and rather incapable, it is true, and yet as a baby with a temper, who screams and fights and is generally whipped into something like temporary subordination. There were a number of strikes even quite early in American history, such as that of some sailors in 1803, shoemakers in 1805, tailors in 1806, hatters in 1819, and others of a similar sort. The strikes were, however, comparatively insignificant affairs, and were much closer in resemblance to the journeymen strikes of the old system of industry than to the great proletarian movements of the greater industry of the present day. As the factory system developed and industry became more thoroughly organized, the labor movement took on more definite shape, and trades unions began to be formed. The advent of Robert Owen in 1824 had no inconsiderable part in awakening the working class agitation. In 1825 a labor paper, called "The Workmen's Advocate," was published and was followed by others in the principal cities. In the early thirties there were sufficient organized workmen to constitute themselves into the General Trades Union of the City of New York, and in 1832 the merchants and shipowners of Boston formed an organization to oppose the unions. These Boston employers declared against "the pernicious and demoralizing ten-

dency of these combinations and the unreasonableness of the attempt, in particular, where mechanics are held in so high estimation and their skill in labor so liberally rewarded." They agreed to refuse to employ any journeyman belonging to a union and to boycott any employer who did not live up to this agreement. In 1835 a number of strikers were tried for conspiracy, and one of the great achievements of this early labor agitation was the abolition of the legislation which had rendered possible these conspiracy proceedings. Hours of labor, which were inordinately long, being twelve, thirteen and even fourteen in the textile industry, were shortened and numerous other reforms were instituted by the first labor movement. Its effects have thus been summed up by A. M. Simons in his pamphlet entitled "Class Struggles in America":

"It is to these working class rebels that we owe to a larger degree than to any other cause not only our public school system, but abolition of imprisonment for debt, the mechanics' lien law, freedom of association, universal suffrage, improvement in prison administration, direct election of presidential electors, and in fact nearly everything of a democratic character in our present social and political institutions. Yet so far as I know no historian has even given them the least credit for securing these measures. On the contrary every effort is made to make it appear that these privileges were handed down as gracious gifts by a benevolent bourgeoisie.

"For the working class directly, they succeeded in shortening hours and improving conditions in many directions. They even brought sufficient pressure to bear upon the national government to compel the en-

actment of a ten-hour law and the abolition of the old legislation against trades unions which had made labor organizations conspiracies."

With these achievements the early labor movement in the United States sinks into obscurity. The free lands did for the American labor movement very much what they had done for the English Chartist movement. They afforded a refuge for those discontented spirits who found conditions intolerable and who would have constituted the active elements of revolution. As long as any man with sufficient force could go out into the wilderness and there by his own efforts make at least a rough and independent living the chances for really effective labor organizations were comparatively slight. The discovery of gold in California no doubt deprived the Eastern working class of bold and daring leaders, as the subsequent history of labor in that State shows. But, more than all, the minds of men were occupied with the preliminary stages of the gigantic conflict between North and South which was so soon to culminate in civil war.

CHAPTER V

THE CIVIL WAR PERIOD

The American Civil War has been too often regarded as purely a war of sentiment, one in which the moral question was supreme, and which was brought about by the persistence of the South in the maintenance of a system abhorrent to the human conscience. The North has regarded itself, and has come to be generally considered, as the champion of human rights, the Federal soldiers, as the heroes of a moral campaign, and the Proclamation of Lincoln as a new charter of human liberties, enunciated solely in the interests of a down-trodden humanity and thus, as a document whose significance is for the most part purely ethical.

As a mattter of fact, there are few wars in which the economic motive is more easily discernible, in which material considerations stand out more clearly, and of which the results rest more solidly upon economic necessities.

This does not imply that moral enthusiasm was lacking, or that thousands of young men did not go to the front inspired with the most pure and holy ideals respecting their work; such a conclusion would in face of the obvious facts be simply absurd. It does mean, however, that beneath the glamor thrown over the strife by the pamphlets of the abolitionists, and the perfervid

enthusiasm of moral reformers and pulpit orators, there were certain hard, invincible, economic antagonisms, which had to be determined by the victory of one or other of the opposing parties. It was, as a matter of fact, the old struggle between the landholding and the commercial classes in a new form, and with the complete victory of the latter, the last obstacles in the way of the industrial progress of the United States were swept aside, and the free course of economic and industrial development was assured over the whole of the vast new domain.

The insincerity of the eighteenth century agitation for equality can be easily discerned from the fact that the United States, the first country to incorporate the new ideas in a constitution, at the same time maintained intact the institution of slavery, and gave it constitutional recognition. "Class-privileges were cursed, race-privileges blessed." The bourgeoisie had based its revolution upon the declaration of liberty and equality for the human race; the rights for which they demanded recognition were elementary human rights, "Rights of Man," an expression to which the victors in the struggle against British reaction had pledged their open allegiance in the words of the Declaration of Independence.

It could not be expected that such a contradiction as that between this grandiloquent declaration of liberty, and the perpetuation of slavery would be likely to escape the notice of the morally acute, so that from the beginning there were those who detected the absurdity of the continued existence of slavery among a free people, and who consequently set on foot an agitation against the institution. The high ground taken by these men, subsequently termed abolitionists, is the moral justification

of the anti-slavery movement and the Proclamation, but as a matter of fact these men had but little to do with the actual result. They were flouted, ill-treated socially and actually persecuted, even in the Northern States. Their moral propaganda was made to serve the purpose of those whose interests were far from ethical, but were in fact very material. Ethical ends were, as a matter of fact, subserved by the change, but not, it will be observed, as the consequence of a moral campaign.

Still there was even in the infant days of the Republic, a feeling among observant people that the employment of slaves was not economically sound. Thus Franklin in his "Peopling of Countries" maintained that slave labor was relatively more expensive than free, a condition which would appeal much more strongly to the average business man or manufacturer than all the rhetoric of a Phillips or a Garrison. There was much general discussion of a similar nature at that time, upon the question of the comparative economic value of the two classes of labor, but this did not concern itself with moral or philosophical views respecting the slavery, wage or chattel, of human beings in general.

It is not within the scope of our present task to examine the various arguments put forth during the course of this discussion, but it may be said that if computation is made of the actual amount of capital invested in slaves, in the care and housing of slaves, and the slight returns of slave labor as compared with those of modern free labor, where the wage-worker toils under the strain of the competitive system, it will be readily seen that there was no lack of economic argument to

serve as a material backing for the ethical doctrines of the moral campaigners.

There was moreover a natural division between the northern and the southern sections of the country, which originated in very ancient and fundamental caste distinctions. There was little in common between the two systems of slavery, wage and chattel, save that both were exploiting systems, both extorting values from those who actually produced them, and there was still less sympathy between the human representatives of the two systems. On the one hand, we had the superciliousness, the arrogance, the sensitiveness and at the same time the domineering insolence which have always typified the agrarian, the aristocrat; on the other hand, the keenness, the skill in solving material and, particularly, economic problems, and the frugality of the commercialist, all his obviously vulgar economic virtues with his hardly more lovable vices.

It could not be well avoided that people of such incompatible natures living in states of society so profoundly diverse, would, in the course of time, run counter to each other, for no single country could continue to exist thus divided against itself.

John Quincy Adams is perhaps the most prominent statesman from whom we can gather the feeling of the leading classes of the North during the early part of the century. This cold, calculating man, could not be said, even by his most devoted adherents, to have been impressed with any great moral wrongs in slave-holding itself, as an institution, and in fact his attitude towards the abstract question of chattel slavery is fully shown by his refusal to co-operate with Canning in any steps looking to the putting down of the slave-trade. At the

same time he agitated persistently for the abolition of slavery in the United States, and in 1835 presented petitions for the abolition of slavery in the District of Columbia. His efforts were evidently purely political, as distinct from humanitarian, and he is thus an excellent exponent of the ideas held by the dominant classes of the North. His views of the means by which slavery was to be abolished are particularly worthy of note, for the question was ultimately solved in accordance with his plan, as an act of war. Thus as early as 1836 he said "From the instant that your slave-holding states become the theatre of war, civil, servile, or foreign, from that instant the war-powers of the Constitution extend to interference with the institution of slavery, in every way in which it can be interfered with, from a claim of indemnity for slaves taken or destroyed, to a cession of the State burdened with slavery to a foreign power." And on April 14, 1842, he said again: "Not only the President of the United States, but the Commander of the Army has power to order the universal emancipation of the slaves."

Besides the social and class differences which placed a gulf between the dominant economic classes of the two sections, the continued political ascendancy of the South in national politics, up to a period immediately preceding the war itself, was a source of annoyance to the northern manufacturers. It interfered with their designs of building up great productive industries. The staple productions of the South were raw materials, the products of slave-labor applied to the soil. Protection which was deemed, and, in fact, was, absolutely essential to the maintenance of these infant industries, in face of the tremendous output of the British factories, and the

fierce commercial zeal shown by the British trader, was thus always more or less abhorrent to the Southern planter. Thus the North always inveighed against the apathy of the South, and the presence of a succession of well-bred and dignified statesmen, with family traditions and a culture born of generations of transmitted power, inspired the self-made men, the pushing, eager merchants and the restless manufacturers with ill-concealed dislike and contempt. No one can study the politics of the period antecedent to the Civil War without being impressed with this incessant struggle, depending as it did upon no particular ethical difference, but evidenced, for the most part, by a natural and mutual dislike based upon the most obvious and baldest material considerations.

It will be observed that even in the North there was much sympathy for the Southern slave-holders on the part of the wealthy merchants and the professional classes. When the war actually broke out the same feeling was felt by the aristocratic and upper middle as well as the professional classes of Great Britain. This sympathy was in itself a survival of feudal times. The Southern was considered as "the gentlemanly party," and, hence, the privileged classes, whether abroad or at home, for the most part, united in its support and gave it social, if not political, prestige. In fact, as is well-known, but for the energetic interference of those classes in England which were economically in the same position as the anti-Southern party in the North the Confederacy would have received recognition, if not active support. The clerical element, too, which has always shown that its kingdom is not of this world, by its continual support

of reactionary and incompetent political causes, was not backward in its approval of the South and slavery.

By a sort of irony the growth of the machine industry which was destined ultimately to overthrow slavery, and by the destruction of its economic utility to destroy the class which found in it its basis and reason for existence, first stimulated the institution. It forced upon it a much more extensive and rapid growth than it would otherwise have attained and endowed the planters with great wealth at the same time as it contributed to their political ascendency. Had it not been for this, centuries might have passed before the real evils of slavery would have been discovered by those ardent philanthropists who could view unmoved the horrors of modern commercialism, and not feel even a transient pang of pity for the victims of the mine and the loom.

These economic and social reasons were in themselves sufficient to have caused a conflict between the representatives of the two opposing systems. An armed truce was the most permanent and satisfactory solution which coud have been hoped for under the circumstances, and the persistent agitation of the abolitionist would easily have broken that. Mutual suspicion and hatred were engendered between the two sections of the country, and these feelings linger even till to-day among those who cherish bitter memories of the war-time. But the growing power of the North and the fast-increasing preponderance of the manufacturer in national affairs might in the course of time have impressed itself even upon the mind of the unregenerate South and means might have been discovered which would have prevented the actual outbreak of hostilities and the forcible spoilation of the owners of slaves. But the fact that the great western

domain was still unoccupied, raised a political question which rendered necessary a settlement by the sword.

The struggle between North and South resolved itself into a struggle for the possession of the vacant lands. If the South could succeed in establishing itself upon the new soil, its political supremacy was, for the time being, assured. If it could not do so it was necessarily and unavoidably doomed. To the North, however, the occupation of uncultivated lands by the South, meant not only political inferiority for several generations at least, with an ever-hostile Senate. It implied, in addition, a non-development of internal trade, for there is but slight demand for commodities in a system which involves the creation of great holdings cultivated by slaves, devoted almost exclusively to agricultural pursuits, self-contained and self-supporting in an obsolete sort of patriarchal way, consuming few commodities, and offering no incentive to the development of agriculture and the modern system. Wherever the free farmer went was the possibility of what is known as progress, of a continually increasing demand for commodities; where the slave-owner established himself there was stagnation, caused on the one hand by the existence of a servile population whose wants were very elementary, and on the other hand, by the existence of a luxurious and arrogant landed aristocracy, whose very existence depended upon the maintenance of things as they were.

But the South was particularly in need of new territory. The system of cultivation was unscientific and careless in the extreme; such as might be expected at the hands of a mass of alien slaves who had no personal interest in results. It was managed by a body of land

owners, secure in possession and eager to extort from the soil all the produce which their crude methods of culture were able to cause it to yield. Under the circumstances, it is evident that actual economic necessities, as well as political exigencies, required the South to endeavor to push its territories into new lands and to introduce its system of latifundia to the as yet untouched soil of the West.

But in carrying out this policy the South was confronted not only by the implacable hostility of the Northern manufacturer, but by its own incapacity and the weakness of its system. The great estates, the distinguishing mark of the system of slavery, stood like little islands in the midst of a colored population, which, though ignorant, had all the natural yearnings for a condition of relative freedom. The poor whites, the plebeians, were despised as not belonging to the aristocratic privileged class, and being different in education and knowledge of the world, were only effective as warriors, who, as results showed, fought excellently in a retainer-like way for their feudal superiors.

The great wave of immigration which poured into the United States from Europe during the forties and fifties, and which included some of the very best and most eager blood of the northern nations passed by the sleeping and fettered South, rolled wave after wave to the West, occupying the ground upon the possession of which the sole hopes of slavery depended, and fresh and enthusiastic from their struggles for liberty in the Old World, helped to swell the cry for freedom in the New.

In spite of all its pride and caste and exclusiveness, its undoubted bravery, and its unwearying political struggle, it must have been easy to see, comparatively

early in the fight, that the South was actually doomed, not on the moral but on economic grounds, not because slavery was wicked, but because the economic fact was against it.

And so matters proceeded. The contest in the meantime became more and more intense until recrimination, abuse, and even personal encounters in the National Capitol marked the growth of passion and the final separation of the contending groups into irreconcilable parties. Then it was that the ethical question became a means of agitation, a goad to stir the masses to action by the same formula which has been employed from time immemorial—the appeal to patriotism and to religious sentiment. The abolitionist was no longer regarded as merely a crazy fellow, he became, quite unconsciously to himself, a useful propagandist, an impassioned machine for the proclamation of the gospel of the interests of the northern manufacturer. The threats of coming conflict drew opponents of the South gradually into one homgeneous party. The abolitionist by degrees developed into a useful politician and together with those who were more obviously the representatives of the tendencies and ambitions of the Northern manufacturers, and the great trading interests formed a compact and well-organized party which, by the election of Lincoln to the Presidency, showed its hold upon the country and the inevitability of Southern defeat.

The election of Lincoln signified the triumph of the manufacturers, and hence of the modern progressive state; the defeat of agrarianism and the victory of commercialism. Henceforward mere sectionalism would be less and less a political influence, and the small producer

woul gradually discover that his path to success was seriously impeded or altogether cut off. State rights would come to lose their significance. A new society would be formed in which new antitheses would show themselves. In short the contest between agrarian and commercialist which lay at the root of the Revolution in Europe and to a large extent the Revolution in this country was about to be completely determined on this continent. Just as the American bourgeoisie by virtue of local advantages had been enabled to win a more decisive victory over the representatives of the feudal system, and reaction then had been the fortune of the European bourgeoisie, so by virtue of his victory in the Civil War, the American greater capitalist was to have a wider power and a less circumscribed field of operations than had fallen to the lot of those of his kind in Europe.

With the actual fighting there is no need of our troubling ourselves. The story of the campaigns and the engagements, the fictitious glory and the real sordidness may all be found for the looking. It may be stated generally, however, that if the war had an economic origin, its termination was in accordance with the dominant economic tendency. The industrial resources of the North, its wealth and its population gave that section from the very start an advantage which the chivalry and loyalty of the forces of the Southern Confederacy found it impossible to offset. The fight which the Southerners did maintain, however, was a remarkable testimony, not so much to the personal gallantry of the soldiers, for personal bravery is so universally the possession of all nations that discrimination in that particular is worse than futile, but rather to the homogeneity of the system which was abolished by the results of the

war. Loyalty to state rights, the sanction of the Southern action, meant in a larger degree than is usually supposed loyalty to local magnates, for the old relations of baron and retainer had necessarily been perpetuated to some extent in a country where land constituted the chief source of wealth, and claim to social distinction rested primarily upon the possession of broad acres and dominion over the bodies of men.

As compared with a modern commercial community where the mutual relations of men with one another are, for the most part, money relations, the older system possesses certain advantages, of which the purely sentimental are not the least. Hence, the South maintained the unequal conflict with a persistent energy which has won unstinted admiration and when it succumbed it did so merely in the face of material resources and an invincible economic power against which it was impossible for it any longer to contend. The close of the war saw the southern system completely overcome for it had spent itself in the struggle, had used up all its material, and, having no means of obtaining more, was forced to capitulate.

As regards the working classes in the Civil War, there is no question as to the side which received their sympathy and support. In the South which was, as has been pointed out, a feudal community, the vassals followed their lords to the field. Such loyalty is universal in that form of society. In the North however the masses of the working people, who had no economic interests to subserve and looked at the question from a merely ethical or political standpoint, were enthusiastically and unanimously Federal in their sympathies.

Even outside the country the same feeling pervaded

the working classes of the continent and in England. In Lancashire, which suffered more acutely than any other place outside the United States, owing to the shortage of the cotton supply, the working-class sentiment was enthusiastic against the slavery party. The English working men sent a message to President Lincoln congratulating him upon the Emancipation Proclamation to which he replied "Under the circumstances I cannot but regard your decisive utterances upon the question as an instance of sublime Christian heroism which has not been surpassed in any age or country." There was no doubt in the minds of the European democracy, that is, the European working class, as to the rights of the matter, and indeed we find more than one conspicuous officer in the service of the North afterwards taking a prominent part in radical politics in Europe.

With regard to the progress of the laboring class in the United States, the war put an end to the labor agitation for all the efforts of the strongest minds were devoted to one end, the termination of the struggle at the earliest possible time. But the agitation for shorter hours did not altogether cease and the formation of unions continued. Thus in 1861 the Car Drivers of New York formed what they called a benevolent association, and in the next year the Boston United Laborers' Society came into existence, as well as a much stronger and more important body, the Garment Cutters' Association of New York. Strikes broke out in 1863, notably among the ships' carpenters who demanded a daily wage of three dollars. In 1861 the Cigar Makers' International Union was organized. In 1865 the Journeymen Tailors formed a national association, as well as the Bricklayers and Masons. But in 1866, when the war

was at an end, the spirit of trades unionism appeared to take possession of the country, and a vehement agitation in favor of an eight hour law sprang up. The war had therefore merely acted as a slight interruption of the skirmishing which was to last for many years spreading into an ever widening area and affecting larger and larger bodies of men, the unceasing and irreconcilable conflict between the capitalists and the workingclass.

The opportunities for making money which were presented by the war were not neglected by the speculators and those who were more interested in growing rich than in any political or social question. While the soldiers died like flies at the front, the trader in the rear piled up immense fortunes by the swindling of the government and in shady contracts. It was an era of stupendous fraud, such fraud as had up to then never been known, for never before had the opportunities been so great. It is unnecessary to specify particular instances, they will occur to any one who is familiar with the ways of army contractors. The stock exchange was manipulated in the most shameless and unpatriotic manner, gambling in gold was a favorite sport of the speculators, and behind the march of armies there could have been distinguished the orgies of those who were playing fast and loose with the destinies of the country in the shameless race for wealth. After the war was over the politician entered blindly upon the game of robbery, and prostituted the victory to the lowest of party ends. If there was any doubt about the reasons of the war from the northern side before the war began there need not have been any when it had terminated. The victors, the only real victors in the struggle, were by no means long in claiming their own. It was the triumph of the

greater capitalism, and the greatest capitalism meant to have all the glory and what is more to the point, the booty. The war tariff which had at first been imposed for revenue purposes was continued after peace was finally settled for the distinct purpose of building up the greater industry. The war party became the party of the tariff, and has ever since remained so. No appeal was too low. The most inflammatory speeches were made even by responsible statesmen, and international hatred was sedulously cultivated to the end that the tariff might be kept up. Even the war itself was exploited for many years until the story became stale by the repetition and a generation which had grown up since its battles were fought refused to be carried any further by the old slogans.

It remains to note two or three important steps in the development of industry which marked this period and pointed the way to greater achievements and a still further broadening of commerce and manufacture than had been reached as yet. In 1860 the petroleum oil business was started, and within one year two thousand oil wells were sunk in Pennsylvania alone, and it was established as an oil state. In 1861, on October 25th, the Pacific Telegraph Line between St. Louis and San Francisco was completed. In March, 1865, the first zinc manufactured in the United States was made at Bethlehem, Pennsylvania, in 1866, the Atlantic Cable was laid, and in 1867 Alaska was purchased from Russia.

Five years of war had done more to advance the manufacturing interests of the country than many years of peace. The land was never again to be the same. Starting out as a farming community with an admixture of small traders and manufacturers with a firm belief

in the ability of the lowest to rise to the highest positions in the State, with no great social distinctions and with an equality as regards the distribution of wealth, such as had perhaps never been seen in the history of the race since the days of tribal communism, it had undergone a revolution compared with which the mere abolition of the slave was a trivial matter. Henceforward it was to be an industrial community, an industrial community which organized its industry on a large scale. The differences in material wealth were to become so great as to be unbridgable. The small manufacturer was to have but little opportunity of ever becoming his own master. Great combinations were to become the rule, and the law which had formerly been interpreted in terms of the small bourgeois society was to be wrested from its original sense so as to suit the new community, and a revolution effected by a few decisions of the Supreme Court was to mark the change. The Civil War was not only a war for the unity of the country, it was a revolution, a social and economic revolution as regards its effects, it was the 1848 of America.

CHAPTER VI

THE RISE OF THE GREATER CAPITALISM

The Southern States had succumbed and the question of chattel slavery had been for ever laid to rest. Upon the ruins of the destroyed feudalism, the new victors were to erect a new industrialism, more terribly cruel, and not less a slavery than that which had been displaced. The bourgeois class, with its wonted hypocrisy, was to enfranchise the negro by force of arms, and afterwards to watch his disfranchisement with approval, when his vote was more likely to be a menace than a protection.

In place of the black slave the new industrialist was to substitute the white child, and the cry of agony from the flogged white free child was to take the place of the whimper of the beaten negro. Great factories were to arise throughout Georgia and the Carolinas where the worst features of the early English factory system were to be reproduced, and the corruption in political circles was to render any legal effort to remedy the conditions more or less futile. The Northern victors were to come in with their capital and to introduce the machine industry on a large scale. The vast natural and industrial resources of the South were to be uncovered and by swift steps the backwardness and conservatism of years were to be abolished. The sol-

diers of the conquering North, who battered their way into the stronghold of feudalism were only repeating an old story; they, as their progenitors in Europe, were only paving the way for the new industrialism. The factory was to be substituted for the manor house; the mine and the foundry for the open country and the field; the lash of competitive industry for the lash of the overseer. A labor question was to arise. The negroes in spite of their increased numbers were to be steadily refused political power. An absentee capitalism was to take the place of the old residential landlordism and the South was gradually to be brought into the dominant system. The lands were wasted in the Southern States, the crops were unsown or destroyed, property of every sort was rendered practically valueless by the close of the war, yet such is the power of human society to recreate and to supply in excess of its own needs, that before long the Northern conquerors were in fear of the result of a coalition between the Southern small farmers and small traders with those of the West, and dreaded the possibility of a Democratic victory which would endanger the stability of the new greater capitalism.

It was this new capitalism which had really profited by the war. All the struggle and suffering of the common soldier and those dependent upon him had had this result—that there had at last come into existence that class of greater capitalists in the United States which already existed across the water. The economic system took a bound forward as the result of the Civil War. Henceforward the individual was to have less opportunity of acquiring that independence, the chances of which had really, in his eyes, constitu-

ted the chief charm of the Republic. The power of accumulating independent wealth and the opportunity to do so, which are the essential conditions of an individualistic democracy, were to be henceforth taken from the inhabitants of this country and the way made clear for the establishment of an irresponsible oligarchy, which under the cloak of law and the constitution, practically maintains its position by a paid judiciary and a hired legislature. In its final effects the Civil War did much more than abolish slavery, it abolished that which had always been known as Americanism. The essentially American features were henceforth to be swamped in a flood of particularly vulgar international capitalism. The federal troops whose return from the war had brought joy to so many lovers of freedom who saw on their banners only inscriptions of liberty were to constitute the bodyguard and protection of the new greater capitalism and were to shed the blood of American workingmen in the streets of American cities within twelve years of the close of the conflict. The new Capitalism was the victor. And Wendell Phillips, Horace Greeley and others, whose intellect and sympathy had contributed to the success of the Northern arms, broke their hearts in vain protest against the power which they had called into being.

While the armies were suffering and dying in the front there had arisen a powerful and rich class which had made fortunes out of the war, some legitimately, others by methods which would be condemned even by the ordinary business man. War in itself is a stimulus to industry. The destruction of commodities calls perpetually for their renewal and the sudden de-

mand for many thousands of articles,—uniforms, small arms, shoes, etc., stimulates production on a large scale. The necessity of supplying these needs brought into being a better organized factory system than had hitherto been seen, and the cotton and woolen industries in particular received a tremendous impetus. Large fortunes would, therefore, have been made had the contracts of the government been honestly filled, and the armies supplied with what was actually ordered. But as a matter of fact, the war was conspicuous for the corruption of those who took government contracts. The most outrageously inferior and actually worthless articles were supplied to the troops by these patriotic capitalists at whose service the troops, who suffered death and disease owing to their corrupt manipulations, were afterwards to be placed. The manipulation of the tariff and criminal blockade running made great fortunes for others of the new capitalism. The traders appeared to consider the army as just so much material for profit making and proved the truth of the oft repeated maxim that there is no patriotism in trade. The industrialists made large profits by the tariff and the demands of the war, and the financial class found, in the floating of the war debt, an opportunity for the making of great wealth.

The period of politics succeeding the close of the war was a veritable Walpurgis-Nacht of swindle and corruption. The representatives of the victors settled down on the government like a swarm of locusts and proceeded to devour. It would be vain to attempt to catalogue the political crimes and the endless peculations of the successful Republican politicians. The reputations of even the highest officials were smirched.

The Whiskey Ring and the Credit Mobilier were only conspicuous instances of what was exceedingly common. The era of rings and combinations supervened and in the matter of the Erie Ring we have the first well authenticated instance of what has since become far too common, the corruption of justice and the infidelity of the judiciary. The Credit Mobilier, a Construction Company of the Central Pacific Company, engaged in wholesale bribery, and the naval strength of the country was scandalously below that which it should have shown in proportion to its cost. Reprehensible as were the methods of those, who might be termed the irregulars and bashi-ba-zouks of the Republican army, the manouevres of the regular forces amounted to little else save the protection and development of the party of the greater capitalism. There was one danger which the new capitalism feared in politics and that was the combination of the small industrials with their fellows of the South and West. Such a combination would have been too much for the greater capitalism at that particular period. It was necessary therefore that the Southern States should not easily come back into the Union as Democratic States. A political power had to be constructed in the South which would offset the formerly dominant slave owner power. The newly liberated negroes were to be enfranchised so that they might uphold the government of the greater capitalism. Lincoln had seen the growth of the great corporations during the war and had prophesied that the next trouble would arise in connection with this new phenomenon. On his death, Andrew Johnson, whose sympathies were very largely with the smaller men, was left as the legatee of Lin-

coln's policy and this he endeavored to carry out in a somewhat blundering and tactless fashion. But the admission of the Southern States was just what was not wanted by the greater capitalists. When they found in Johnson an opponent to their policy they flouted him in every way and repeatedly passed acts over his veto. All the professed respect of the capitalistic class for the head of the nation proved to be just so much humbug when that class was confronted by a President who did not at once perform its will. The Freedman's Bureau Bill passed in this way in 1866 was ostensibly directed at the preservation of the negro ex-slave from cruelty at the hands of his former masters. In reality it resulted in the manipulation of the negro vote in favor of the Northern party, by political adventurers from the North, who, being practically in control of the new state governments, created out of the negro votes, indulged themselves in the most shameless thievery at the expense of the Southern States. The Reconstruction Acts divided the country into military districts and practically abolished the pardon of the President, in that it disfranchised all who had held offices in the Confederate service during the war. It could not be expected that the Southerners would sit down to be dominated by their old slaves and, as the military forces of the government prevented an appeal to open violence, they accomplished by means of the Ku-Klux-Klan, a secret organization, the destruction of the reconstructed governments. It must be remembered also that the vagrancy laws of the South, which were aimed at driving the negro population back to work on terms agreeable to the Southern planter, gave the Northern manu-

facturers a colorable, if hypocritical, ground of interference. Johnson was pursued by every imaginable means and an attempt to impeach him on the flimsiest grounds was made. By a skilful use of the press and other means of influencing public opinion, the greater capitalists, although unsuccessful in their impeachment proceedings, aroused such hostility against Johnson that he was no longer a political possibility.

There has seldom been a party with more glorious opportunities for the achievement of political ends than the Republican Party. It was practically free from criticism during the first and most important years of its rule. It had the country completely under its control, and it manipulated affairs in the interests of its economic supporters more shamelessly and unblushingly perhaps than any party ever did. It used the war for years as a means of political advantage and kept alive sectional hatred by appeals to the passions aroused by the conflict in the interests of factional strife. In fact so much use was made of the war as a political weapon that only in the present generation has there arisen an electorate to whom it makes no further appeal and which cannot be led far on purely sectional sentiment. Even the war tariff was found to be insufficient for the grasping needs of the greater capitalism and the industrialists demanded concession after concession that the whole country might be placed under a burden for the sake of the developing industrialism. This tariff policy naturally affected Great Britain more than any other country as she was at that time the chief exporting country and the old slumbering hostilities were awakened again and again by the Republican Party as a means

of stirring up the masses to support the high tariff policy. And yet with all its corruption and fraud, with its hypocritically false patriotic gush, the Republican Party was the only possible political party during this period. Its mission was the consolidation of the power of the greater capitalists. It was in the name of the Republic to destroy the Republic and to establish the oligarchy. In the transformation of the Democratic republic, which the men of fifty years ago honestly believed was theirs, to the travesty on democracy which exists to-day, the Republican Party has had the great and really indispensable share. It has been the chosen instrument of the greater capitalism for the achievement of its purposes. In all this tremendous work it has produced no statesmen since the death of Lincoln to whom the term "great" can be applied. In fact it has displayed an almost inexplicable lack of conspicuous talent and it has accomplished its ends rather by the degradation of politics and the wholesale corruption of officials than by conspicuous gifts of political organization.

While the politicians were extending the power of the greater capitalism and were making the laws and the judicial decisions conform to the actual economic facts, the greater industry which lay at the base of all this economic activity was literally leaping along the route of its destiny. The most dazzling transformations, the most complete revolutionary changes in the methods of production occurred during the period of which we write. In a period of less than thirty years the modes of economic production in the fundamental industries were changed. The introduction of the Bessemer steel process and the substitution of coke for

coal and charcoal had so affected that industry that the manufacture of steel has run far ahead of that of iron. The production of steel which was less than twelve thousand tons in 1860 had increased to more than five millions of tons in 1890. In that year the United States production of steel outstripped that of Great Britain and the latter power was compelled to surrender the leadership in the steel industry. The great impetus in the development of the steel industry was the marvellous expansion of the railroad industry. In the eight years succeeding the war, more than thirty thousand miles of road had been constructed, and the branch lines and small systems which had had an independent existence prior to the war were beginning to assume the form of the great railroad systems as we see them to-day. The transcontinental road was completed and now the greater capitalism of the East had at its disposal the market of the entire country. The rapidly filling lands to the West were to be traversed by lines of railroad and the farmers and settlers made practically the bond slaves of the great transportation companies. Other industries arose in connection with the great railroad industry, among which may be particularly mentioned that of packing. That which is now one of the greatest and most tyrannically administered forms of capitalistic activity, owed its origin to the invention of refrigerator cars. The telegraph which had been in operation prior to the war was now made of general use and the Atlantic cable, which was completed in 1866, served to bring the capitalist class of this country into much closer connection with that of Europe. With the laying of the Atlantic cable and the extension of the telegraph to San Francisco, the en-

tire continent was in communication with the heart of modern capitalism and the international capitalism had really found itself. The better instruments required by the new capitalism with its tremendous amount of routine work were discovered in the invention of the typewriter and the telephone which have now become such necessary adjuncts to the carrying on of business that without their aid the bulk of the work required by the modern system could not be performed. The factory system underwent great modifications, and the textile industries, the manufacture of boots and shoes and other similar trades in which the modern factory modes of production had taken the place of the older handicraft, were organized and their machinery underwent a process of development which increased their productive powers almost incredibly. The sewing machine, which, on its invention, had been regarded as a beneficent design to mitigate the labors of hard-worked housewives, was converted into an instrument of torture, and has rendered possible the institution and the perpetuation of that system which under the name of "sweating" has provoked much eloquent denunciation and has furnished a splendid theme for the sensational writer. Throughout the whole field of industry the changes took place and the demands of the great industrialists for still more rapid production of commodities stimulated invention so that the number of patents applied for increased to such an extent as to give the country a universal reputation for mechanical ingenuity.

The concentration of industry was a result of the development of the market and the improvement in the machines. How marked that concentration was

may be seen from the figures published by the U. S. Government in the last census returns on "Manufactures," from which it appears that, in the period here considered, the number of establishments in thirteen leading industries decreased from 13,616 to 11,617, in spite of a great increase in population and an unquestionably vastly increased demand for the articles manufactured. Combined with the diminution of the number of actual manufacturing plants, we find necessarily a notable improvement in their effectiveness and a striking application of machinery to uses, hitherto undreamed of, together with an economy in production, which made use of much that had up to that time been wasted, an economy also which was extended to the saving of labor power and the consequent expense in every possible way. The result has been the formation of an army of tramps and unemployed. Even in the best times the reserve army of labor is not fully occupied, but when there is retrenchment in manufacturing, owing to the overcrowding of the market, the unemployed question becomes very pressing and the horde of tramps grows into a matter of national concern. This unemployed and tramping host is directly the product of this concentration of industry and is the penalty which must be paid by the community for the monopolization of the instruments of production by a small and ever diminishing number of people. Every new machine introduces a small revolution into the lives of groups of working people so that those who are unable to accommodate themselves to the new conditions are flung out of the system and are driven to vagabondage and crime. A certain small percentage of such people as are not able to accommodate them-

selves to the society in which they find themselves as well as to such changes as the exigencies of that society require are to be found in every stage of human progress. In the earlier periods of American history they had been accounted for by the back country and the free land. The unemployed and the unemployable as far as they then existed had made a living from the soil and had succeeded in establishing themselves by means of migration, where they had failed in the organized society into which they were born. But this vent for the thousands who were continually driven out by the encroachments of the machine and the organized industry was fast being closed. The free land was being taken up rapidly. The railroads were being endowed with it wholesale. Private corporations of all descriptions were plundering the magnificent property of the masses of this country and corrupt law courts and legislative assemblies were setting the seal of their approval upon the most colossal piece of robbery. Besides the formation of a pauper proletariat and a numerous criminal class, by the revolutionary operation of the modern machine industry, the numbers of this class were constantly augmented by the addition of the small manufacturers and traders who were continually being driven to the wall by the greater industry. These latter were crowded into the ranks of the unskilled proletariat and found it impossible to extricate themselves from the ruin which hurled them from their apparently secure position in times of crisis and commercial depression. They were confronted by forces over which they had no control. They were unable to purchase the machinery necessary for profitable production; they had no knowledge as to

how the game of modern trade is played for they were not in the circle of the high finance; they could not command politcal influence. In fact the cards were stacked against them from the start and the small producer was doomed as a permanent factor directly the great industry was established. There was then a constant fall of small producers and traders into the ranks of the proletariat and the formation of a slum proletariat composed of the broken industrial proletariat and this smaller middle class. The growth of this proletarian class was noted by Henry George in the eighties and the connection between the monopolization of the public domain and the rise of this class did not escape his notice, in fact he laid too much stress upon the coincidence of the two phenomena. The extent of the concentration of industry may be gathered from the following quotation from Carroll D. Wright's "Industrial Evolution of the United States." Mr. Wright may be taken as an enthusiastic admirer of the evolution of the greater industry and an enthusiastic apologist for it. He says:

"There were 1,091 establishments engaged in the manufacture of cotton in 1860 with an average product of $106,033 and an average of 4,799 spindles per establishment. In 1890 there were 905 establishments with an average product of $296,112, and an average of 15,677 spindles, an increase of 179 per cent in the product and of 227 per cent in the number of spindles per establishment. During the same period (1860-1890) the aggregate capital invested in the industry increased from $98,585,269, to $354,020,843, or 259 per cent, and the value of product from $115,681,774 to $267,981,724 or 132 per cent. The decrease in the number of es-

tablishments and increase in the value of product, as well as the increase in the size of the average establishment, indicate the extent to which the industry has been concentrated in fewer and larger establishments."

The effects of this sort of concentration applied to every department of production were not long in making themselves felt. With the displacement of large numbers of men there came in also the greater employment of women. The factories and the sweat shops, besides other avenues, called increasingly for the employment of women who were not organized and whose wages corresponded with the lower standard of living. Even this labor was not cheap enough for the employers and still cheaper labor was continually sought and imported. The new system made the greatest inroads upon the marriage-life of the community and by driving the woman into the factory and other places of employment not only reduced the pay of the husband but paved the way for the break-up of the family and brought about that uncertain condition of matrimonial relations on which prelates expatiate so earnestly. The numbers of married women employed steadily increased as did also the numbers of children and within thirty years of the close of the Civil War the question of child labor had reached a point where some drastic solution was necessary for it had placed this country in a most backward and indeed disgraceful position as far as the treatment of its children was concerned.

The above and other equally embarrassing social problems were presented as a result of the period of commercial development in the period succeeding the Civil War. They are inherent in the present industrial

system and every country in which that system is prevalent is confronted by them. The rapidity of the transformation here, however, and the unsystematized modes of life enabled them to get a grip on the country which cannot readily be shaken off. The state system which had been apparently well suited for a more rudimentary and democratic community proved to be of immense service to the dominant industrialists in the exploitation of the masses. The influence of wealth in a locality of comparatively sparse population and limited area will easily be seen, and, corrupt as the House at Washington has been, its political morality is purity itself compared with the degree of civic virtue to be found in the legislatures of the various states. A system of rings and bosses to carry out the political wishes of the dominant class was called into being and whole communities were in the grip of political spoilsmen. Boss Tweed of New York was only a conspicuous example of the sort of men who were in control of cities and states. Much indignation has been spent upon the political robbers, but inquiry has seldom been pushed far enough to lay bare the financial interests in whose behalf these politicians manouevred. For, every political boss is merely the agent of some respectable firm or corporation which is achieving its economic objects by this prostitution of the law. And in the period now under consideration the capitalistic concerns took a new guise which made their political work more easy and protected themselves more effectually. The capitalistic firm developed into the capitalistic corporation.

The corporation is the negation of the principles upon which the claim to individual ownership of capital is based. The members of the corporation, the

stockholders, do not necessarily have anything to do with the work which the corporation undertakes to do. They employ an agent, a man working for wages, a manager, who transacts their business; they share the dividends of the profits produced by the business. In this instance, the capitalist ceases to even pretend to be a producer, he becomes a capitalist per se, and obviously has no claims upon the wealth produced by the community other than the claim which the law allows him by virtue of the invested capital. He cannot even invest his money as he likes and take the chances of the market, for he is obliged to submit to the will of the majority of the stock in the corporation even when the actions of the majority stockholders may threaten to ruin him. In more than one case the majority stockholders have wrecked a road and repurchased it on terms "ruinous to the interests of the minority." The vast amounts of money which such corporations have been able to acquire has given them an overwhelming influence in American life and has provoked a very marked hostility on the part of the small producers who have been quite unable to compete with them. Banking and railways had early offered the best opportunity for corporate activity and the first corporations of this country were instituted in connection with these pursuits. But in the period with which we are concerned industrial production had so far developed and offered such an excellent field for capitalistic exploitation that the corporation method was extended to productive industry and a beginning was made of those great industrial combinations which a little later were to make the corporation look like a belated and elementary form of organization. Hence-

forth the power of the greater capitalist was practically invincible. This development of the corporation methods of industrialism called into being a new class of lawyers and legislators whose special business was the organization of the corporations and the provision of such legislation as would be most favorable to their interests. The power of corporate wealth was exercised mercilessly, as those who had the control of such wealth could make or unmake the career of the lawyer or the legislator, and those two forms of activity formerly honorable, sunk consequently, in the public estimation until it is questionable whether any two classes of occupations have less public respect than those of law and politics. On the other hand the greater capitalists themselves retained but little respect for those whose services they were able to procure so easily and who would violate the fundamental canons of their professional ethics in the pursuit of gain. The attitude of the industrial magnate towards the politician is illustrated in the following statement of Mr. Andrew Carnegie, which is taken from his little book entitled "An American Four in Hand in Britain." Mr. Carnegie says: "When there is no really great work to be done, when the conflict between feudal and democratic ideas ends, as it is in fact coming to an end, and there is no vestige of privilege left from throne to knighthood, only vain, weak men will seek election to Parliament, and will stand ready to do the bidding of the constituencies, as our agents in Congress do."

Here Mr. Carnegie, in a probably unpremeditated fit of frankness, states what he conceives to be his idea of the value of the politician, the liberating of the community from feudal rule, that is the putting of the

industrialist capitalist in the saddle and then the accomplishment of the will of that industrial capitalist. Vain, weak men are all that are needed for such a task. That is true, and the industrial victory has been marked by the dominance of politicians with just those attributes. Little real statesmanship is required for the continual piling up of tariffs and the corruption of a judiciary.

One of the results of the era of corporations was to be seen therefore in the marked deterioration of the personnel of the bar and of the politicians. There was no longer any real fight for principles and the commercialization of politics was complete. The process of industrialization had been carried to such an extent that the avenues of public expression were also industrialized, and church and university surrendered equally with the bar and the political platform. The vulgarization of the learned professions had set in in earnest.

The concentration of great masses of population in the large cities also tended to increase the power of the industrial lords. These cities were a product of the system and they lived by the system and tended to the strengthening and the aggrandizement of those who controlled the system. No longer was the great stream of immigration diverted into the waste lands of the continent where the farmer hewed out a home for himself and began the settlement of a healthy and vigorous country stock. On the contrary the incoming herds fresh from the European fields were crowded more and more closely in the great cities where their numbers kept down the price of labor and their votes, bought and sold by the new political bosses, were made to

serve the purposes of their masters. Thousands worked in gangs on the construction of the new railroads, other thousands gathered in the mining camps and the colliery districts or developed the fast growing steel industry in the filthy hells of Pennsylvania. And each new tide of immigration represented a less well organized and well developed people. The European nations were forced to compete in a sort of Dutch auction against one another for the benefit of the greater capitalist. Their labor force increased the profits of the industrial masters, their votes went to maintain him in power and to protect him against the vengeance of the small industrialist whose world was slipping away.

This new industrial organization, however, was not accomplished without the intervention of the commercial crisis. Twice during the period the trade of the country was interrupted and the whole industrial machinery thrown out of gear by the sudden stoppage of the wheels of industry.

As has been pointed out, the investments in American railways in the period succeeding the Civil War were simply colossal. Between 1867 and 1873 about two billions of dollars had been expended in the construction of railroads of which "nearly one-half was represented by mortgage bonds. Hyndman points out that the Germans had invested very largely in these railroad securities, and on the occurrence of a money panic in Austria, endeavored to realize on them. This precipitated a panic in the United States, the results of which are described as follows by the author already referred to:

"Throughout the whole of the United States it

seemed as if some great disruption had occurred. There was a glut in every department of trade and almost it may be said in every warehouse. Mills, factories and workshops of every kind were closed in the West as well as in the East, or worked short time. The almost universal suspension of work on the new railways threw tens of thousands of laborers out of work, while the old railways only made such betterments as were absolutely indispensable. The influence upon the iron and steel trades and upon the iron and coal mining industries was felt immediately. Thousands of men were unavoidably dismissed in these departments, and from a third to a half of the workpeople of the Eastern States were said to be without employment. The number of actual 'tramps' during the winters of 1873 and 1874 was placed as high as 3,000,000 out of a population of 40,000,000. When to these are added the numbers who starved quietly at home, the proportion of workless persons to the entire population seems something prodigious."

The failure of many railroads followed and the country was in a wretched state for some time. The business tide, however, closed over the loss, and the lessons of the crisis were speedily forgotten. But the contributions made to the class of the submerged proletariat were permanent. The laborers who lost their grip never recovered it in many cases, and went to form that human wreckage of which economists take so little account. Thousands of small traders were destroyed as well as small manufacturers and the ranks of the proletariat were swollen by their advent.

Between this crisis and the long depression of trade in the early eighties the development of electricity as

a means of lighting and propulsion took place, and the energy required in production was still further reduced. The output was so improved by the new industrial instruments that the productive power of American industries had increased 58 per cent during the decade, while the number of workers employed had only increased 33 per cent.

It became increasingly evident that the new organization of industry was no better for the working class than the preceding system. It had brought the proletarian class into existence, it had caused the development of an elaborate system of production, but it could not protect itself against the ravages of the commercial crisis and the intermittent depressions which the system itself rendered inevitable. It stripped the country in its demand for labor during periods of industrial prosperity and when the demand slackened flung back its slaves upon the world helpless and deprived of the power of making a livelihood. Besides this it ground to death the small producers and petty capitalists who endeavored with their slender resources to stand up against it.

It must not be supposed that these latter were not speedily made aware of the fate which was destroying them. They endeavored to stem the tide of the greater capitalism by means of politics. Their recognition of Andrew Johnson as a champion has been already noted, and the fate which befell that unfortunate opponent of the dominant Republican clique has been described. Horace Greeley again in 1872 took up their cause and went down. The farmers, in the meantime, had formed an organization under the name of the "Patrons of Industry" and as a political party called

the "Farmers' Alliance," won a number of political victories. This afterwards developed into the Populist Party, of which more later. The farmer class and the debtor class generally, however, had little comprehension of the trend of political and economic events and confined their energies to attempted tinkering with the money system, as appeared in the formation of the Greenback Party, and to denunciations of the corporations, one of the effects of which was the legislation known as the Interstate Commerce Act, and the so-called Anti-Trust Law.

The proletarian, who was now a distinct factor in the industrial life, had not, however, as yet taken to politics as a weapon. He was chiefly engaged in the formation of trades unions and such organizations as would enable him to contend against the employer in the shop. There were, however, faint tendencies observable towards political action even in the early stages of the trades union movement, as in 1870, when the National Labor Union undertook to form a political party with an indistinct and unintelligent platform. The period was one, on the other hand, of organization and struggle on the economic field.

The tendency towards economic organization which was discernible prior to the Civil War and which was interrupted by that struggle was very noticeable at the close of the conflict. Almost immediately trades organizations sprang up and the years between the close of the war and the crisis of 1873 were filled with efforts on the part of the working class to improve its economic position. Then came the crisis and with it, as usual, the destruction for the time being of all constructive work on the part of the working class. Too

glad to get any work, the proletarians were obliged to accept what was offered and organization was suspended. When the great industrial machine began to right itself, however, and trade prospects looked brighter, the American proletariat began to struggle for better opportunities. In one sense, however, this did not mark an advance, for the first numerous strikes between 1873 and 1876 were rather efforts to regain the economic position occupied before the crisis than to improve the conditions of the working class beyond the point hitherto reached.

The energetic enterprise shown by these pioneers of labor struggle in this country was very remarkable. Strikes occurred everywhere. The men, though unorganized, seemed determined to fling themselves on the enemy and took the chances of war almost desperately. In the cotton and woolen mills of Massachusetts, Rhode Island and Connecticut, the strikers simply struck and then sought admission to the assemblies of the Knights of Labor afterwards. No less than thirty thousand miners were out at one time. The employers on their part were not slow to avail themselves of the peculiar instruments of capitalistic warfare. The lockout and the black list came into play against the strike and the boycott and all the machinery of the pure and simple trades unionism was brought forthwith into play. It was an elementary period of industrial development and the cruder weapons had a better chance of accomplishing something than they have ever had since. It was during this period of the economic fight that the absurd devotion of the working class to the strike and boycott really began. Another reason for the confinement of the pro-

letariat to these means of advancing its interests lies in the fact that there was at that time no properly organized proletariat with any conception of its class position and its class aims. The trades union contests of this era were not strictly speaking proletarian struggles. They were the struggles of individuals who were individually discontented with their economic position and had banded themselves together to better it. One fact is, however, very noticeable, that the men who a few years before would have gone to the frontier were no longer doing so, the frontier was being eliminated; behind them, the bridges were broken down, the same conflict threatened on the shores of the Pacific as on the shores of the Atlantic. The last refuge of the American working man was destroyed. If he were to secure anything like decent conditions he could no longer do so by running away from society. Society held him fast. His only chance was to turn and face his employer.

To men who had only a few years before been fighting the bloodiest war of the century physical conflict did not perhaps seem so dreadful as it has since done to their successors. These early trades unionists at all events did not hesitate to give desperate battle to the authorities and in more than one instance to inflict defeat on the forces sent against them. The great Railroad Strike of 1877 is a case in point. The Baltimore and Ohio Railroad had declared a reduction of wages by ten per cent. The scale of pay for railroad men was so low that it was only with the greatest difficulty that they were able to maintain themselves and families. This threatened reduction was more than they could endure, and, practically unorganized, as they

were, they struck. The strike began at Martinsburg, West Virginia, by the crew of an engine spontaneously leaving work, and spread with such enthusiasm that in the course of three days, the entire Eastern railroad system was paralyzed. Other workers joined in the movement and a great spontaneous upheaval of labor followed. Some militia fraternized with the strikers, but others stood firm and the regulars were sent for. In Baltimore the troops fired repeatedly into the crowds. In Pittsburg the troops fired into the people who thereupon turned and attacked the militia so that the latter were driven away and chased into a round-house, but succeeded in escaping the next day.

These first attempts at rebellion were crushed by the military forces and the working class subsided for the time being into apparent tranquility. But how little reliance could be placed in the continuance of acquiescence in the rule of the new greater capitalism was evident in 1880, when a large number of strikes occurred. The agitation for the eight-hour day now began to assume large proportions and the Knights of Labor appeared as the champions of that demand. The Knights of Labor was a secret organization, in its inception, and was a curious admixture of labor organization and a sort of free masonry. An air of mystery surrounded its earlier history and it did not attain any real importance until during the first five or six years of the eighties. Its declarations have a certain flavor of the complaint of the smaller middle class of that period as the declaration of principles refers to "the alarming aggressiveness of the power of money and corporations," phrases which might have been easily uttered by a representative of the Farmers' Alliance.

The demands made by the organization will have a very familiar ring in the ears of the modern American. They are such as have been made by almost every reform association of modern times—the Referendum, the creation of labor bureaus, and laws providing for special inspection of places of employment and machinery. Some of the claims of the earlier American labor movement were revived by them such as the claim for indemnification for injuries received in the course of employment, a principle which the courts have practically nullified, by their interpretation of the doctrine of contributory negligence. Other old demands were for a regular weekly pay day and for a lien for mechanics. The secrecy of the order was abolished in 1881 at Detroit, and from that date began its real growth though it was still a small organization in 1885. In 1886 it had reached the height of its power and began henceforward to decline. Its decay was in part due to its inefficient and cumbersome methods of organization and in part also to the dishonesty of its officials, who set themselves to profit by the finances of the order as soon as it became strong. The subsequent career of some of these leaders point to the existence also of considerable political corruption in the ranks of the order itself. Still with all its faults the Knights of Labor might, in capable and intelligent hands, have proved a very successful proletarian organization. Its methods were such that the working class as a whole might have found in it an opportunity for the expression of their desires and ambitions and its progress might have been indicative of the intellectual political progress of the working class. Such, however, was not the destiny of the Knights and like

too many attempts at working class agitation, it has disappeared, leaving only an unpleasant memory.

It was succeeded by a new organization which has been since known as "The American Federation of Labor." This organization was purely economic in its purposes. It was an imitation of the English trades union movement. It regarded employment as a contract between labor and capital. It did not have any revolutionary ideas as to the relations between the two factors in production. The owner of labor power and the owner of capital were in its eyes each possessed of commodities which each wanted to sell on the best terms possible. The matter then became a subject for bargaining and the term "collective bargaining" has indeed been applied to these united efforts on the part of labor and capital to arrive at a mutual understanding. The organization was by crafts, each craft having its local and national organization, and being, in a great measure, independent of other crafts and depending for success upon the power which it could individually bring to bear upon the capitalist. Naturally the most highly skilled crafts were able to obtain the best terms and had an advantage in dealings of this sort and these formed what was called both in the United States and Great Britain an "aristocracy" of labor. These craft divisions were favored by the employing class as they tended to keep the workers apart and cultivated differences and distinctions within the ranks of labor. Under the old gild system, when the economic condition was almost static, such distinctions might have survived and, as a matter of fact did survive but under the highly fluid state of labor in the present system, where the skilled labor of to-day becomes the unskilled of

to-morrow, they are simply absurd. The result was that the old methods of the strike and the boycott were again and again resorted to, and the working class was driven, by its method of fighting into minor disturbances and collisions with the authorities in which they had only their bare hands to oppose to the weapons of the military. The capitalist class was firmly entrenched in the economic position from which the forces of the trades union were unable to dislodge it and, in addition, the capitalist class possessed a weapon in politics of which it did not hesitate to make use and such advantages as the trades unions did attain were rendered practically valueless by means of a hired legislature and a dependent judiciary.

One of the most remarkable facts in connection with this movement was the blindness of the trades union leaders to the value of the political weapon. The movement was, as we have said, based upon the English trades union movement and the latter had studiously abstained from politics. But this plan of campaign had arisen from the peculiar conditions in England. The defeat of the Chartist Movement, which was a political working class movement, necessarily revolutionary in its character, and based upon the hypothesis of a physical force triumph had filled the working class with despair of obtaining any advantage by political effort. They had therefore fallen back on the pure and simple method and endeavored to accomplish by means of the strike and boycott what they had failed to gain by revolt. Certain peculiar economic conditions had given the pure and simple trades union an initial advantage in Great Britain and the fact that the working class was not in possession of

the ballot still further increased the energy and enthusiasm which they showed for the trades union movement. But triumphant, apparently, as the British pure and simple union was, it carried with it its defects, and as soon as the working class became endowed with the franchise the agitation for political working class action arose. The British workingman had been obliged to accept such conditions as he had and to make the best of them. The American pure and simple trades unionist, on the other hand, threw away the advantage which the possession of the ballot gave him, and under the cry of "no politics," bred in the unions a brood of the most loathesome and corrupt petty politicians. But the American Federation succeded the Knights of Labor, and soon rose to be the most important labor movement in the country.

An agitation for an eight hours' day marked the year 1886. It had been developing for some time, but reached its culmination in that year. In connection with that eight hour day agitation we get the affair of the Chicago anarchists, so-called. The eight hours' movement had developed a very pronounced form in Chicago. At one of the meetings a bomb was thrown by some unknown party among a body of police who were dispersing an open air gathering. A number of men were arrested and charged with complicity in the bomb throwing. Some of them were hanged, others imprisoned. It is admitted that these men were literally railroaded to the scaffold and to prison. Seven years afterward a governor of Illinois examined into the manner in which the trial had been conducted and after a close examination of the testimony and the circumstances connected with the trial, released the

men in prison and expressed his conviction that the trial had been unfair. This is the general impression at the present day even in conservative circles. The press, however, worked up a most violent prejudice against the men throughout the whole country and there is little question that the whole affair had a very bad effect upon the labor agitation at that time and for some considerable time afterwards. It may also be stated that it had a distinct tendency to interfere with the sympathy which a certain section of the American working class was beginning to have with the anarchist movement.

In Europe the working class international movement, under the name of the "International," had broken into two sections, one of which was dominated by socialistic ideas and advocated the use of parliamentary means in the futherance of the interests of the working class and the other by anarchistic ideas. The anarchistic faction refused to recognize the political weapon, but based their campaign upon the use of the strike and boycott and physical force. Both of these factions had their adherents among the working men of this country and prior to the Chicago affair, the anarchist propaganda had considerable support. In fact, it will be seen that the methods of the American Federation of Labor were in their essence anarchistic for the mere element of physical force is not what constitutes anarchism but the refusal to employ political action. One of the most disgusting features of the whole Chicago matter was the inexcusable and pitiful cowardice displayed by many leaders of the working class as exemplified in prominent trades unionists.

The socialist wing of the International had also es-

tablished an agitation and propaganda in this country and before the close of this period had entered upon a political campaign. Its first efforts were naturally feeble and gave no indication of the power which was in the course of the next decade to be manifested by this element. But weak, as it was, it had been begun, and the United States as a new capitalistic country was beginning to exhibit the same political as well as industrial phenomena of other countries in which the modern system was prevalent.

Thus at the close of the period succeeding the Civil War, we find that the capitalistic class had thoroughly entrenched itself, that the working class was playing a losing game and was not receiving anything like a proportionate share of the product of the new industry, that politics and law were corrupted and employed in the service of the new capitalism and that the working class was beginning to have some glimmerings as to the actual condition of things and was slowly awakening to a recognition of the class war.

CHAPTER VII

OLIGARCHY AND IMPERIALISM

Following the period just described, we come to another, in which the psychological tendencies of the newly developed, but speedily omnipotent commercial and industrial classes, made themselves apparent. Legislation, the administration of justice, and national policy very soon bore witness to the power of the new idea. The old faiths which had suffered grievously in the early part of that period which immediately succeeded the Civil War were attacked more fiercely, so that the merest remnants remained of that vigorous Americanism which had exercised so profound an influence over the youth of the country and which had been the very symbol of individual liberty and democracy in government. Internal politics on the legislative side responded rapidly to the new tendencies but not more rapidly than did the law courts, so that strange and hitherto unheard of applications of ancient legal remedies were employed in a fashion which left no doubt of the intention of the jurists to interpret the law in terms of the new conditions. Never has the effect of the influence of economic facts upon legislative and judicial forms been more evident. Just as the industrial development in this country proceeded more rapidly than in others by virtue of the entire newness of the conditions and the freedom from

artificial restraints, so the necessary legislation and legal decisions were more easily obtained here than elsewhere. The possession of the political machinery by the greater capitalists and the dependence of the judiciary upon politics gave the commercial revolutionists control of the avenues of expression. The capitalization of the press and its employment by the same agencies was another very important factor in bringing about the same result. Practically all the channels through which force could be employed were in the hands of this class at the beginning of this period and the ease with which success was achieved tends to show the thoroughness of the preparations which had been made to render it complete. It is not too much to say that in this period a revolution was accomplished which, for scope and magnitude, probably transcends any revolution of which we have knowledge. No merely political revolutions can be even compared with it. The industrial revolution which in the short space of twenty-five years converted England from a country in which the domestic industry was dominant to a modern machine-industry community is, probably, unless we except Japanese development, the only other instance of so sudden and complete a change. But it took many years for Great Britain to modify her political and juristic systems sufficiently to render them the best expressions of the new economic realities, whereas, it required but a very short time to convert the Senate into a body recognized as the supporter of the commercial and industrial lords and to make the House of Representatives but a large committee for the registering of decrees to carry out the mandates of the same masters. The government of the country was henceforward to be carried on in the name of those interests which were

sufficiently powerful to set the machinery in motion. That collectivism which follows unavoidably in the train of concentration of industry did not show itself as a collectivism supposedly benefiting the whole community. State socialism to which this industrial development has given so great an impetus on the continent of Europe made but little headway here. Such collectivism as there was consisted in the collectivism of a class against society. The great capitalists pooled their interests and directed their united force to a campaign of public plunder. The tariff laws, sufficiently stringent already to make the United States conspicuous throughout the world as the champion of excessive duties, were made severe and comprehensive to a degree which has rendered them practically prohibitory. The exploitation of the country fell into the hands of fewer and fewer great capitalistic concerns, and its growing wealth and population made it an ever richer field for the predatory. And when the amount of wealth produced under the new system bade fair to choke the channels of distribution in this country, the demands of the manufacturers and commercialists for foreign markets brought a new idea into American foreign politics. So that the country which had been hitherto self contained and which had framed all its foreign policy upon the notion of its inviolabity and independence and its freedom from the embroilments of foreign powers, leaped into the arena of international strife, and in a few weeks added an empire to its possessions and became a great modern imperial power, having subject under its sway so-called inferior peoples, who could never in the very nature of things become citizens of the Republic.

This new period began, appropriately enough, with

a crisis, one of those inevitable breakdowns which serve, much as war does, to clear the air and to eliminate numbers of the unnecessary. The crisis of 1893 displayed itself in the first place as a financial crisis, though it was followed by an industrial collapse which showed plainly that unrestricted competition was still productive of its old effects, and that republican institutions and a hight tariff afforded no security against those maladies which have so grievously afflicted the peoples of all modern countries.

For several years trade had been dull. A depression had succeeded the crisis of the eighties. This, though less acute than the more famous crisis of 1873, had still affected the industrial system badly, and the expected rally had been long postponed. A Democratic President had been elected, but no improvement having manifested itself a Republican revival had followed and this again having failed to achieve the impossible, another reaction had taken place and a Democratic president again occupied the chair. Things had been going amiss in Europe, and Great Britain in particular was feeling the ill effects of the depression. The Argentine Republic and South Africa were the favorite fields for investment. But the returns had proved by no means up to the expectations of investors, and firms which had invested heavily in securities in these countries began to feel the strain. In 1890 the firm of Baring Brothers, one of the most influential in the financial world, could not make headway and succumbed. There was a panic, then, a stiffening, due chiefly to the security of the Bank of England, and its efforts to minimize the disaster, and the worst was tided over. But the effects were widespread and this country felt them in the dislocation of business and gen-

eral distrust. On June 26th, 1893, it was announced that India had stopped the free coinage of silver. The effect was felt at once in the silver-producing states. Colorado and other states in which the mining of silver was an important industry shut down their mines, and thousands of people were face to face with actual want. Then came a series of bank failures, particularly in the South and West. The degree in which those portions of the country were effected appears in the fact that out of 301 bank suspensions, ninety-three per cent occurred in them. Distrust was general, hoarding set in on a large scale and recourse was had to clearing house certificates. Then, the worst passed, but a long period of depression followed marked by a most noticeable falling off in immigration, the existence of unusually large numbers of unemployed, and all the strange psychological and political vagaries which mark such periods of economic disturbance. The outcry against the financiers, which had made itself heard in the crisis of the seventies, became louder, and the People's party, which in 1892 had polled over a million votes had by 1896 persuaded the Democratic party to adopt the anti-gold platform. This was the last great battle in which the small producers and the debtor class on the one hand were brought into direct conflict with the dominant capitalism and the money lords. The latter relying upon their industrial vassals who could find no point of contact between themselves and the smaller middle class, which furnished the intellectual and political force of the silver movement, defeated the silver forces, and the now thoroughly victorious greater capitalism was able thenceforward to pursue its course without any further fear of disturbance from that class of debtors and small producers. Political history in this

country since that time has been but the pursuit of the flying relics of a formerly sufficiently formidable force and the strengthening of the positions occupied by the victors. There has been no further need of a distinct campaign against the power of the middle classes. Economic events have proved too strong for them, they have no longer any real political significance. Such political and juridical action as has been required has been rather directed against the advances of a more permanent and dangerous class, the proletarian.

It will be seen therefore that the economic and political effects of this crisis were not substantially different from those of preceding occurrences of a similar nature. If they were more obvious, and if the greater capitalism was able to take more complete advantage of the situation than heretofore, it was simply because the point to which industrial evolution had proceeded had made it more feasible to monopolize its advantages, and, if political effects were more apparent, it was just because the new organization of industry had rendered possible the more complete organization of political power. The effects upon the community at large, if more striking, were similar to those of preceding crises.

Thus the elimination of numbers of middlemen and small producers has always been the essential characteristic result of industrial disturbance. On the other hand the reinforcement of the working class by those better equipped who had fallen into its ranks owing to the action of the crisis and the feeling of rebellion engendered in the minds of numbers of the working class by their sufferings and privations tended more and more to the building up of a self-conscious working class movement. Just in proportion as the greater capitalism made greater

progress than heretofore by reason of the crisis of 1893, the phenomenal growth in power of the proletarian was, at least, equally noticeable. The crisis of 1873 produced an active working class movement, that of 1893 stimulated and informed it. Defeated economically and compelled to submit to conditions against which it had contended with increasing spirit, its wages lowered, its organizations much depleted and in some cases disrupted, it still kept its aim before it, and at the conclusion of the depression was ready to take the field again and to enter upon a more vigorous campaign for its demands. The working class is the one constant factor. It is not possible to dispose of it. The crushing of its members under the weight of exploitation only serves to amalgamate its forces as a pebble walk is solidified by tamping. Such gains as it makes stimulate its ambitions, awaken its energies, and drive it to seek still further successes at the expense of its natural and implacable enemy. The two forces, the organized capitalists and the organized laborers must face one another on both the political and economic fields. The crisis of 1893 made the lines of the respective armies more distinct and showed to many of those who had not hitherto perceived what was impending, the real social and political significance of modern industrial life.

, This period was marked by the growth of a new form of industrial organization which had had a very important effect upon the politics and commercial enterprise of the nation and which appears destined to be a still more important factor in future. This phenomenon is classed under the general name of "trusts" and although much condemnation has been directed against it, it appears to be as simple and logical a development of industry as

any of the other forms with which industrial evolution has made us familiar. The Standard Oil adopted it first by the device of combining various corporations so as to form one monopoly as early as 1882. The essential and distinctive quality of the trust consists in this—a trusteeship is devised in such a way that the organization and concentration of the powers of various distinct corporations is effected without impairing the individual existence of the separate corporations. This may be considered as the most restricted sense of the trust. Testimony as to the spread of this particular form of organization may be had from the following remarks of John Moody, whose *"Truth About the Trusts"* is perhaps the most complete and reliable work upon the subject. He says:

"In the usage of to-day the term 'Trust' is applicable to any act, agreement, or combination believed to possess the intention, power or tendency to monopolize business, interfere with trade, fix prices, etc. It will be noted that this embraces those enterprises which are popularly believed to have this intent, power or tendency, and not merely those which have by demonstration been shown to be possessed of such power.

"By this definition we see that not only are consolidations of former competing plants to be looked upon as Trusts, but all large businesses which possess or are believed to possess the foregoing characteristics are trusts, whether made up of one plant or a hundred, and whether actually possessing monopolistic features or not. Thus, franchise corporations and groups are Trusts, railroad aggregations are Trusts, possessors of exclusive powers or privileges of any sort, as well as mere producers on a large scale must be looked upon as Trusts. If there is

any qualification at all in the public mind as to the correctness of Mr. Dodd's definition, it is merely that the thoroughgoing trust must be characterized by largeness. Very small corporations, even if they possess monopolies are not popularly called Trusts."

This trust phenomenon is really a product of economic conditions since 1898, at which time the industrial depression which had set in with such intensity in 1893 subsided, and a period of buoyant optimism supervened, produced by a succession of good harvests and the popular enthusiasm and confidence which followed upon the termination of the Spanish War. The development of railroad industry had, up to this time, absorbed the bulk of invested capital, but the development and practically complete organization of the railroad system had closed this avenue for investment and railroad stocks in large quantities at low prices were no longer available. The field for the investment of money, released by the feeling of security and the impetus given by the revival of prosperity, was discovered in industrials, and the energies of promoters were directed to the organization of industrial enterprise as outlets for capital seeking investment. The *Financial Review* of 1900, speaking on this point says:

"The extreme industrial activity engendered a feeling of great confidence, very propitious to the creation and multiplication of new industrial enterprises. Easy money in the early months caused by a congestion of currency at this centre, materially aided the movement. The result was the formation and flotation of industrial undertakings of enormous magnitude and in unparallelled numbers. In every industry, in every line and branch of trade, great consolidations and amalgamations were planned, and in most cases carried into effect. It was the great opportunity of the promoter and he was not slow to avail him-

self of it. Seeing in any given trade a large number of separate businesses or manufactories, his effort was to merge them together in one large corporation, insuring partial or complete control and giving at least the appearance of monopoly."

This tendency to the amalgamation of industry and the formation of great industrial combinations was due as much to a recognition of the deficiencies of the competitive system and its ill effects upon the producer as to a desire to find new and profitable fields for investment. E. S. Meade in his *"Trust Finance"* sums up the matter very clearly in the following paragraph:

"All things considered, it is not difficult to understand why the regime of free competition was productive of manifold hardships to the manufacturer. Competition might be considered as the life of trade, but at the close of the last industrial depression it was regarded as the death of profits. It was highly desirable from the manufacturer's viewpoint to stop or at least abate this struggle which benefited nobody save the consumer, * * * The producers were tired of working for the public. They desired a larger profit without such an effort to get it, and they wished to have that profit available for distribution and not locked up in a plant and equipment. In 1898 and 1899 the time was ripe for a change. Men were weary of competition and the era of combination was gladly welcomed."

But while the organization of the Trusts made undoubtedly for economic advantage, and while the balance was unquestionably in favor of the new system, there were other effects which were very disturbing. Thus the concentration of the almost incredibly large masses of capital rendered the existence of the smaller firms so precarious as to be practically hopeless, and the outcry which was raised by the sufferers found its expression in jeremiads in the press and in a helpless political indignation which exhausted itself in the cry, "Down with the Trusts," but which was futile against

the tremendous financial forces ranged on tne side of the new organizations.

The extent of these financial forces may be seen from the following figures revised to January 1st, 1904, by Mr. Moody in the work already referred to. It must be observed that since that time the organization has proceeded even more rapidly and the powers of the trust magnate have been correspondingly increased. The Trusts of which Mr. Moody takes account are as follows: 318 important industrial trusts controlling approximately 5,288 plants have a capitalization of $7,246,342,533; 111 important franchise trusts, owning 1,336 plants, have a total capitalization of $3,735,456,071; great steam railroad groups, owning 790 plants, have a total capitalization of $9,017,086,907, and allied steam railroad systems, having 250 plants and a capitalized value of $380,277,000. The total value of all the trusts at the time at which the computation was made was $20,379,162,511.00. (Now estimated at 30 billions.)

The rapid organization of such colossal industrial enterprises could not fail to have a most profound effect upon all departments of national life, and the corrupting power of great sums of money used without stint or compunction by those who had immediate pecuniary interests to serve was soon made evident. An era of corruption and debauchery set in much as had occurred subsequent to the Civil War, and the judiciary and the legislatures were exposed to the full force of the attack of corporate wealth. This descent of the trust organizers and controllers into politics was followed by results which do not reflect any credit upon the honesty and stability of legislative and judicial bodies in democratic communities where the standards are almost ex-

clusively money standards, and where neither the social position nor the financial standing of those who are charged with the control of affairs is sufficient to support them against temptation. The history of this period of prosperity is a long tale of official misconduct in almost every branch of governmental activity, municipal, state and national. An era of what is simply and cynically termed "graft" set in and the press teemed with revelations of official iniquity. Even the ordinary magazines made a special point of detailing the operations by which the municipalities were robbed of their utilities, and showed to their own financial advantage and the interest of their purchasers the methods employed by industrial organizers in their efforts to make their organizations supreme. These revelations, while stimulating occasional outbursts of indignation and furnishing professors, clergymen and severely sober journals with opportunities for rhetorical and high flown denunciation, produced but little effect upon the community at large. They were regarded as natural and unavoidable concomitants of the system, and, in the general prosperity, were contemplated with equanimity. Now and again, an unusually bold piece of villainy would create a sensation, but, if the feelings engendered by such occurrences were analyzed, it would probably be discovered that admiration of the powers of the successful promoter was at least as marked as indignation against a public wrong.

The same rampant speculation as had marked earlier experiments in economic organization, the same wilful lack of foresight, the same criminal misstatement of the purposes and possibilities of new enterprises, manifested themselves. Plants were bought up at ridiculously

high prices or enormous sums were expended upon the destruction of concerns which refused to enter the combinations. Inflation and the watering of stocks served to conceal the amounts of the profits made by these means and many of the new concerns rested upon the flimsiest and least substantial of foundations. But in spite of many sinister forebodings the prosperity which had begun with the Spanish War persisted. The succession of good harvests and the movement of money tended to keep confidence and prices high. The latter indeed rose so that the cost of living was very materially increased, and the purchasing power of the better paid working class was in reality little greater if, indeed, it was in some cases as great, as it had been during the period of depression. But work was fairly constant, and as wages came in with regularity there was little grumbling. The Republican party, the natural champion of the new industrial movement, held its place in the preferences of the artisan class and the second attempt of W. J. Bryan, the candidate of the united Democratic and Populist elements to gain the presidency was repulsed more severely than its predecessor. An outbreak of war in South Africa between Great Britain and the Boer Republics still further stimulated the demand for staple commodities, and gave an increasing impetus to American trade. To all appearances the country was entirely prosperous, yet its industrial and financial institutions were experiencing a series of convulsions, and the entire system was being modified, indeed transformed. The new industries fell into the hands of a diminishing group of men who exercised an increasing amount of power, the oligarchy which had been foreshadowed even before 1893, was fast being realized, and had become

an accomplished fact. Henceforward the political tendencies of governmental centralization were to be more strongly marked than hitherto. The individualism of the state system began to be a serious obstacle in the path of political and economic progress, and it became only a question of time when the more complete commercial and industrial organization would be mirrored in a more complete political organization. The centralization of industry must necessarily find an expression in the centralization of governmental power. The question thereupon arose, at least by inference, as to which of the governmental organs was to be the representative of this centralization. There are two departments of the government, each capable of fulfilling that function. The senate by its limited numbers, its recognized role as the representative of the power of organized wealth, and its vast political influence might serve as an active executive committee of the economically powerful; or the President by virtue of his position as the nominal head of the State might act in the same capacity. So there was outlined a struggle between the President and the Senate which has already shown signs of increasing intensity, and which may conceivably, within a very short period develop into the most important incident in the unfolding of American political history. The incongruity between a closely knit and highly organized economic system and a loosely connected bundle of individual states, any one of which may at any time seriously hamper and interfere with the economic organization, is so obvious that the permanence of the system cannot be seriously considered. The difficulty of course lies in so arranging the power of the units that the national economic system is not interfered with. But this be-

comes increasingly intricate in proportion as the development of industry transcends the limits of the individual states, and great enterprises come into existence whose ramifications and the extent of whose interests bring them into contact with the state legislatures at so many points. All sorts of impediments have arisen, therefore, to the development of the greater industry, but it, with a confidence born of security, has succeeded in using even these factors in its service, and by a discreet use of corruption funds ever increases its hold upon the various political systems of the individual states. This method is however costly, uncertain, and unsatisfactory, and therefore the cry for federal control arises, or for the federal supervision of transportation and other industries which overlap diverse sections of the community. Such "control" is under present circumstances a mere euphemism, for the economic forces are so far in control of the political that any claim on the part of the federal executive or the federal judiciary to exercise a controlling influence over its master savors rather of opera bouffe than of reality. It cannot be said that any of the measures which have been supposed to exercise a deterrent influence upon the growth of economic organizations or to supervise their actions has been able to effect what was expected of it. Economic force is more powerful than legal enactment, and economic force lies unmistakably on the side of the industrial oligarchy.

An incident in the course of the development of this greater industry has been the establishment of a strong foreign policy, and the acquisition of territory outside and beyond the former limits of the country. The rapidly developing industry, the greater mutual dependence of the powers owing to the ramifications of business re-

lations, and the jealousies and opportunities for strife engendered by the clash of the interests of the dominant national capitalists made it imperative upon the government of this country that it should have greater influence with foreign powers, and this, of necessity, rendered the construction of a sufficiently formidable navy essential. The idea of a strong navy which would be employed outside the country met with much opposition from those Americans who still maintained the independence of this country of foreign embroilments, but a dispute with Great Britain with respect to the conduct of that power in Venezuela furnished an admirable argument to the advocates of the greater navy policy. The navy was needed to uphold the Monroe Doctrine, and is not the Monroe Doctrine as essentially American as free speech, a free press and liberty of contract? So the building of the new navy proceeded, and a new and very lucrative industry was founded for the private capitalists who built the ships on contract and caballed, intrigued, and corrupted to obtain these contracts on the best terms possible. The profits on the building of the navy were absorbed by private firms. The opportunity of creating a great national shipbuilding plant was lost, and the country became dependent for its sole effective offensive arm upon a few great firms which in their turn were dependent upon or interested in the powerful steel interests. It must be remarked that the development of the steel industry and the organization of that industry which rendered possible the production of cheap steel were necessary conditions precedent to the building up of the new navy and hence in the last instance the national navy became a product of and dependent upon a small but exceedingly pow-

erful group of capitalists, who were now practically compelled to look for foreign markets for their surplus products. The acquisition of the Philippine Islands gave these capitalists an immediate interest in affairs in the Orient which was now, under the leadership of Japan, showing signs of an awakening and promised to be a fine field for commercial exploitation. A war between Japan and China, in the settlement of which the United States took an active part, was followed by a rising against foreigners in China and by massacre and pillage at the hands of a certain sect of fanatics termed "Boxers." This rising led to the active interference of the leading western powers for the purpose of securing peace, and the United States co-operated with these powers in the employment of troops in the land of another people thousands of miles away. Since that time difficulties with outside foreign powers have been not infrequent. Turkey, Germany, San Domingo and Morocco have all had distputes with this country. In the opinion of the governments of more than one European country the Monroe Doctrine has been employed as a means of aggression rather than as a protection of the minor American nationalities against European attack. However, the entry of the United States into the group of great nationalities, whose commercialists and manufacturers are engaged in active competition for the possession of the world's markets, is now an assured fact. The demand for a stronger navy still continues and the demand for a greater army to keep pace with the navy is made with such insistence. The military resources should, it is constantly urged, be made to represent at least some reasonable proportion to

the financial and commercial resources of the country. This actual and prospective increase in military power is all the more conspicuous from the fact that there is not the slightest danger of any attack being made upon the soil by an external enemy. Such increase is in pursuit of a policy of extending American commerce by armed force where it is required. There are signs also that the same increase in the military forces may be directed against the possibility of civil discord arising from the eternal labor troubles. A new measure of Congress making all able bodied citizens ipso facto members of the militia would appear to support this idea and the well known dislike and denunciation of the militia by the trades unions tend to point the same moral. At all events, under the new commercial and industrial oligarchy, the military resources of the country have been unquestionably strengthened and the tendency to invade what were formerly regarded as foreign spheres of influence has been more strongly marked. There is a striking enthusiasm for what is popularly termed recognition of American influence abroad, in other words for that importance in international affairs which is called "prestige" among the European powers and which rests fundamentally upon armed force.

There is a still more evident growth of the idea that the chief object of American foreign policy is to secure the best markets for American products and to advance the interests of industrial and financial magnates. All of these phenomena point to the influence of the trader and manufacturer in politics and show that the mainsprings of the international policy of the United States are to be sought in the interests of

the greater capitalism. The trust has succeeded in establishing itself directly in the Department of State. The pressure of the commodity ever drives its makers to find new fields for its disposal. This is the essential fact of political and social life in the United States. The proprietors of commodities find themselves possessed of more than they can get the full benefit of under the social conditions of a democratic republic, and hence they seek alliances in communities where ostentation and social prestige bring more immediate advantages. They are dragged socially and economically into the current of international politics, the great game in which rank and tradition are such important factors. They take their vast wealth into European society, acquiring thereby social importance, and make conections which render the country they represent a world-power. The international importance of the American wealthy class rests not only upon their ownership of actual wealth, but upon their additional control of the armed resources of the country. Just as the new oligarchy has succeeded in fastening its grip upon the material resources of the country and hence upon the political power it has grown proportionately in influence abroad. The tribute rendered to the power of the United States by the foreign press and potentates is in reality the recognition on the part of the economically and politically powerful in Europe of the wealth and political power in the United States of those who belong to the same class as themselves. It cannot be forgotten, moreover, that the country by its rapid development of its wealth producing resources no longer occupies the subordinate economic position which it once held. It is no longer dependent

upon capital from the outside. The growth of the syndicates in strength and influence has rendered the funds at the disposal of the lords of finance much more accessible than hitherto. The preponderance of wealth gives this government a growing influence which is only prevented from making itself still more apparent by the lack of organization of its military resources upon anything like the same scale as has been accomplished in European countries. How far this military organization will be discovered to be necessary is a question at once suggested by the occupation of the Philippine Islands whose proximity to Asia and consequently to the very center of international rivalry has drawn the United States willy nilly into the struggles of the Powers. That the commercial interests of this country are estimated to be very closely bound up with the development of the Orient is obvious from the anxiety displayed by the government with reference to interference in the Chinese troubles, in spite of the denunciations of those American statesmen and journalists who regarded the movement as being on the one hand a departure from traditional policy and on the other as involving possibilities which it would be the part of the discreet to avoid.

The crisis of 1893 produced strange psychological aberrations in certain sections of the working class as well as in that portion of the debtor and farming class which saw in free silver and the populist platform the solution of their troubles. The latter propaganda was attended with a fanatical devotion as unusual as it was ridiculous. A sort of semi-religious, semi-hysterical socialism not unlike that which had manifested itself on the continent of Europe, in France particularly, in

the early forties made itself evident, and the "Burning Words" of Lammenais were re-echoed more or less feebly, on this side of the Atlantic by impassioned advocates of the new doctrine. But beside the mortgaged farmers, there was a great mass of unemployed which suffered privation owing to the dislocation of trade. Impatience with their lot grew more and more marked among the inhabitants of the West, whose frontier life had made them more disinclined to submission than their eastern fellows. The attacks of the free silver preachers had impressed upon the popular imagination that the government was to blame. Therefore they determined to display their poverty to the government. Hence arose the memorable exodus from the West to the East which was popularly known as the march of Coxey's army. As a matter of fact there were three such armies presided over respectively by Coxey, Kelly and Fry. On their march East they behaved, on the whole, with considerable restraint although incidents of violence and the forcible seizure of trains were not absent. It is testimony, however, to the general good faith of the major portion of this army that whenever work presented itself it was greedily seized by its members, and only a tatterdemalion remnant ever reached Washington. As a dramatic exhibition of the poverty of the unemployed it was a complete failure, and can only be considered as an example of the vagaries which haunt men's minds in times of economic stress, a species of hysteria produced by their desperate circumstances, and liable, under extreme conditions, to produce strange and even terrible results. In some respects the march of these western unemployed will bear comparison

with the famous march of the Marseillais, the circumstances alone were different. There was the same fanaticism, the same ignorance of actual conditions, the same fiery impatience. It is interesting at least to observe the marked independence of the western laborer, for this is a factor which must certainly be taken into consideration, in any estimate of the positive fighting qualities of the American proletariat.

A much more important event was the American Railway Union Strike of 1894. Eugene V. Debs had organized this union in 1893. It was intended to offset the use of the blacklist by the railway managers who were said, and in fact, at a subsequent inquiry were shown, to have taken concerted measures to prevent obnoxious workingmen from obtaining employment. The Railway Union was intended to embrace all classes of railway workers, and probably would have succeeded in forming what is known as an industrial union of the railroad employes had time been afforded for complete organization but, as events turned out, it early became involved in a strike of very great importance. This strike had its origin in a dispute which was connected only indirectly with the railroad industry. The Pullman company, which had made what was reputed to be a model town for its workmen, had a controversy with the latter owing to the fact that it had reduced wages twenty per cent and had adopted methods of management which were regarded by the men as high handed and intolerable. A committee waited upon the company and demanded that the old scale of wages be restored, whereupon the members of this committee were discharged by the Pullman Company. Four thousand of the Pullman employes were mem-

bers of the American Railway Union and this body took up the cause of these men and required that the Pullman Company should arbitrate its differences with the men. The Pullman Company replied that there was nothing to arbitrate and the American Railway Union decided that its members should not handle any trains to which Pullman cars were attached. The strike which followed was in the beginning completely successful. At the end of five days all the roads running out of Chicago were at a standstill. This result was accomplished without violence and by absolutely peaceful means, very strict orders having been issued at the beginning of the strike against illegal conduct on the part of the men. Then all at once disorder broke out. The city of Chicago was full of rough and desperate characters whom the depression of trade had deprived of occupation, and these men were ready to take part in any disturbance. The beginning of rioting has been attributed to the Railway Managers' Association. It would not be easy to fix the blame, but there is little doubt that it could easily have been prevented by the exercise or ordinary police precautions. Obstruction of the mails followed and the fact that the Federal government would have to interfere to secure the transportation of its mails became evident. Then the suggestion was made that the Federal courts be applied to for the issuance of a writ of injunction. This process was to take the place of regular criminal proceedings against the perpetrators of unlawful acts. President Cleveland ordered Federal troops to proceed to Chicago in spite of the protest of the Governor of Illinois, who declared himself perfectly competent to maintain order within his

jurisdiction. The troops were sent under the law of April, 1871, the portion of the law upon which President Cleveland relied being as follows: "In all cases where insurrection, domestic violence, ... or conspiracies in any state shall so obstruct or hinder the execution of the laws thereof or of the United States, ... or wherever such insurrection, violence or conspiracy shall oppose the laws of the United States or the due execution thereof, ... it shall be lawful for the President, and it shall be his duty to take such measures by the employment of the land or naval forces of the United States . . . . as he may deem necessary for the suppression of such insurrection." Under the circumstances, there can be little question with respect to the technically correct position of President Cleveland. If the mails were interfered with their uninterrupted transit must be secured. The real malefactors, who had instigated the the mischief, and who had in all probability directly provoked the disorder reaped the benefit of their schemes and the forces of the Federal government were henceforward employed in crushing the strike in the interests of the employing class and the dominant oligarchy.

The success of such a formidable rising of the working class, particularly in the unsatisfactory condition of trade and the general disarrangement of financial affairs, could not have failed to embolden the restless proletariat. In the West, at all events, where the strike had its inception, and where the masses may be said to have been actively sympathetic wtih the strikers the results of a successful strike might easily have been detrimental to the grow-

ing greater capitalism. It was therefore very necessary in the eyes of the authorities that the strike should be put down. Besides, the intervention of the Federal government in such matters was distinctly in line with the development of political and industrial tendencies as they have been displayed in the course of the history of the United States. It showed the intention of the oligarchy to concentrate its political and military resources for the defense and advancement of its interests; it also showed the intention of the government to employ the armed forces in the defense of the employing classes and proved that the governing class thoroughly appreciated the approaching class-war and was ready to resort to the final measures pursued by the class in power to perpetuate that power. The fact that unusual measures were taken by the dominant class and its instrument, the government, shows that the conditions were recognized as unusual and that the strike of the American Railway Union was regarded as exceptional both in the scope of its operations and the possibilities which might flow from it. It is noticeable moreover that the troops dispatched upon the plea that the mails were being interfered with, were sent to the stockyards districts, which places, though undoubtedly interesting, are not supposed to be a rendezvous for mail cars. It it noticeable also, as showing the dictinctly class trend of the government action, that during the Pullman strike, President Cleveland selected as special counsel for the government Mr. Edwin Walker, the general counsel for the General Managers' Association, representing twenty-four railways, which, according to Mr. Henry George, Jr., were being operated "in utter

defiance of the Sherman Anti-Trust Law." But an even more unjustifiable action than the use of the military is to be found in the novel and peculiar use of the injunction, a purely equitable remedy, for the purpose of putting down strikes. On July 10th Debs was arrested on the charge of obstructing the mails and interfering with interstate commerce. The case was never brought before a jury. The Federal court, however, employed the injunction. It issued what is known as an "omnibus" restraining order, in which Debs and others were specifically named and "all persons." This restraining order was served personally on some of the defendants and a general notice given by reading the order to a crowd of strikers and by posting copies of it on freight cars and telegraph poles. Debs was arrested for contempt of this order and sentenced to imprisonment for six months. Habeas Corpus proceedings were instituted in the Supreme Court in which the plea was made that the equity court had no right to issue an injunction which would deprive the accused of the right to trial by jury. The Supreme Court, however, upheld the decision of the Circuit Court. The value of this decision was speedily seen by those who were occupied in attending to the interests of the greater capitalists and the so-called "blanket injunction" became quite a familiar concomitant of labor disputes. It will be observed that the Federal courts have been most frequently appealed to in all of these cases. The Federal judiciary has in fact become the most effective instrument not only for interpreting the law in favor of the great corporations, but also, as in this instance, for manufacturing law in their special behoof. What was done in Chicago in 1894 was dupli-

cated in the Coeur d'Alene district of Idaho in 1899. In the course of industrial disturbances in this district a concentrator mill was blown up. It was charged that this was the work of some person or persons on the union side of the conflict. No proof of this, however, has so far been forthcoming. The fact that the Idaho militia was at that time in the Philippines was made an excuse by the mine owners for sending a petition to the Secretary of War for the despatch of United States troops. These were sent under the command of General Merriam, who proclaimed martial law. This general proceeded to arrest and confine persons without any warrant of law and actually issued a proclamation to the effect that the mine-owners were not to give employment to any miner who did not hold a permit from the military authorities. Habeas Corpus was suspended and the men were confined in a cattle-pen with straw for a bed and no privacy. The food, according to some, was furnished in cattle-troughs, according to others, in tin pails from which it was taken by hand. There is no doubt that many indefensible cruelties and tortures of a minor description were practiced on the prisoners, while under the guard of the Federal troops. These occurrences, which were followed by others of a similar character, gave rise to an intense feeling of dislike, of the military among the masses of laboring people. Even the Spanish war with its victories and, one might have supposed, consequent popularity of the military, was insufficient to stay the evidences of hatred which the populace, or at least that portion of it which is included under the term organized labor, began to feel for the uniform. Trades unions passed resolutions

forbidding their members to join the militia of the separate states. The absence of the genuine artisan from the ranks of the militia becomes more and more marked. As the class feeling developes there arises a complete disseverance between the working-class and the representatives of the physical force side of the government.

But this conflict between the labor organizations and the greater capitalism did not have that invigorating effect upon the former which might have been reasonably expected. On the other hand, the oligarchy which swayed the political and busines world mirrored itself in the labor organizations. The tendency which was noted in the previous decade persisted and developed itself even more strongly. The depression in trade which filled so large a portion of this period had caused the trades organizations to show a marked falling off in power and influence. Such is always the effect of economic crises and hard times. The recurrence of industrial prosperity, on the other hand, showed itself in a wonderful growth in the trades unions. But it is undeniable that this activity in trades union circles produced no adequate effect upon the position of the working class. The share of product which went to the laborer ever diminished. The liberties taken by the courts and the military as already described showed that the influence exerted by the laboring class upon the government was of the slightest and that their enormous numerical strength was more than offset by the wealth of the dominant class. The reasons for this condition of things appears to lie in the characteristics of the American labor movement as it had been developed in

the course of economic evolution of the country. There had been from the beginning, as in England, to a very great extent, a failure on the part of the union leaders to grasp the significance of the struggle in which they were involved. The failure to see the significance of the labor movement resulted in the precipitation of conflicts in which the working class was confronted with the certainty of defeat. Issues also upon which a straight and uncompromising fight between the opposing classes might have been successfully waged were shirked. Thus much needless suffering was inflicted and slight enthusiasm engendered. The fact was that the trades leaders, even the best informed of them, were continually haunted by the notion of contract. The two necessary factors of production were in their estimation placed in juxtaposition, in eternal antithesis like the ends of a see saw. One, however, could not gain any permanent advantage over the other. The individual capitalist was considered by them to be necessary to the existence of the workingman. They, even the strongest of them, were thus deprived of the enthusiasm and confidence which a grasp of the class war would have given them. Without this support their policy was wavering, indecisive and, though of temporary value, in a few trades, only efficacious up to a certain point, and impotent to prevent the returns to labor continually diminishing in ratio to the growth in wealth and the increase in the amount of invested capital. Besides, the prospects of reward held out by the political managers of the greater capitalism to successful labor leaders had filled some of the most ambitious and capable with the resolution of gaining place and position for themselves independent

of the advancement of the generality of the class to which they belonged. Many labor leaders became little better than freebooters, selling their followers in the interest of rival capitalists, turning from this side to that in the war which rival capitalistic concerns waged against each other, according to the price offered for their services. They were mere condottieri selling their modern equivalent of the sword, the power of organizing and leading men, to the highest bidder. A brisk trade was done in union labels and other devices of a simliar character. Blackmail was levied. In fact, in the very ranks of labor itself there was a group of corrupt manipulators whose nefarious activities may be compared with those of the fraudulent army contractors operating in the Spanish War. It became more and more evident that the morals of the dominant capitalism were finding their reflection in all sections of the community. A period of apathy in the ranks of labor naturally supervened. Strikes and lockouts were, of course, as common as before; the struggle, inevitable in the very nature of things, continued. But local and sectional influences were stronger than the general impulse. The ill-regulated and ignorant, but at the same time generous, enthusiasms of the 80's had waned, and the all pervading cynicism which had greeted the victories of the Spanish War with a perceptible sneer in spite of the official applause found its counterpart in the attitude of the masses of the laboring classes. Though the numbers of men enrolled in the unions grew with wonderful rapidity in the period of revived prosperity, there was none of that early abandon of belief in the power of the working class which had marked the

earlier phases of the trades union movement. Leaders were stronger than ever before, the paper force of the organizations was greater, but the spirit was lacking. The crushing weight of the triumphant oligarchy weighed down the hopes of the toilers. On the one hand, their great industrial lords held arrogant sway, and the bulwarks of American liberty fell before them so easily, so bewilderingly easily that the masses of the toilers educated in the public schools to an absolute belief in the stability of the institutions of the country felt hopeless in face of the aggressions. On the other hand, the small bourgeoisie which was as much opposed economically to the advance of the oligarchy as the working class itself was bankrupt in character as well as in purse. Noisy demagogues with a talent for advertisement but with no ability for leadership occasionally appeared but succumbed to the money force of the oligarchy or wearied the ears of the populace with incoherent and useless complainings. The working class itself was devoid both of leadership and of enthusiasm. The oligarchy was in complete and almost undisputed possession of the field.

Though the official representative of the laboring class, the trades union movement, was in such a deplorable condition, the class war still found its exponents in the socialist movement. This movement has been referred to in the preceding chapter. It was then in its incipient stage. With the progress of the decade under consideration it developed both in numbers and in the virility and definiteness of its propaganda. The increase in its voting strength was marked. Thus from a vote of a little over two thousand in 1888 it attained a vote of nearly forty thousand

in 1896. But the progress of the movement was actually much greater than appears from the consideration of the mere vote. Organization had been effected, speakers trained, an English press established and vast amounts of literature, largely translations from the socialist literature of the continent of Europe, widely distributed. The Socialist Labor Party was the name of the socialist organization in the forefront of this, as it may be termed, missionary period of socialism. The apathy, the dishonesty and the incapacity of the trade union movement, as it has been described did not escape the notice of these keen observers of social phenomena. The Socialist Labor party, then, naturally and logically enough, proceeded to attack the trades unionism of the day. The Socialist Labor party went even so far as to inaugurate a form of trades unionism antagonistic to the dominant pure and simple English type of unionism. This action, however, precipitated a schism in the ranks of the Socialist Labor party. A new party called Social Democratic, after the German socialist organization, was formed. Its leading exponent was Eugene Debs, whose connection with the strike of the American Railway Union has already been noted. After a short period this Social Democratic party coalesced with the dissatisfied element of the Socialist Labor Party and formed a new organization, under the name, Socialist Party, which was more successful, politically, than its predecessor.

This in the very hour of triumph of the greater capitalism the enemy was developing its strength. Small and numerically insignificant as it was the capitalistic forces were not slow to recognize its poten-

tialities. The press teemed with attacks upon the socialists and the pulpit, ever the ready servant of tyranny, supplemented the efforts of the press. Such is the free advertisement which the spirit presiding over the progress of humanity always provides and, in proportion as the attacks were absurd in their violence, the interest of the public increased, and socialism, instead of being considered as an amiable weakness to which emotional people and raw foreigners were particularly prone, received very general recognition. This does not imply that there was any particular grasp or understanding of the socialist movement. On the contrary, the views advanced both by advocates and opponents were at this particular period more marked by crudity and feeling than by knowledge and perception. Still the point had ben reached when socialism could be discussed, as, at least, a possibility. Thus both socialists and their opponents began to speculate upon a time when the laboring class, tired of the insolence of the oligarchy and the incompetence of the trades union movement, might direct its attention to the new propaganda.

CHAPTER VIII

THE PERIOD OF CORRUPTION

It is very obvious that the economic supremacy of the greater capitalist class, as already described, could not have failed to produce the most profound effects upon American life and manners. In the preceding stages of the economic growth of this country, as indeed of all others, we find that the prevailing economic system has produced its effect upon the population in their social and political relations. The economic environment and the individual citizens are, in fact, practically inseparable; they are mutually dependent. The merging of nationalities in this country affords an example of the working of this influence of economic environment upon the individual. Vast numbers of immigrants arrive here, the representatives of all the races, and latterly in particular of the races which have shown marked aesthetic qualities. It will be noted, however, that the United States derives no apparent aesthetic advantage from the admixture. The song is choked in the throat of the Italian; the taste of the Frenchman does not improve the taste of his adopted country; on the other hand it becomes vulgarized by the prevailing vulgarity. The reign of the oligarchy has been conspicuous for its corruption and vulgarity. The dominance of the petty bourgeois was

indeed dreary enough but it had a sort of heartiness to recommend it. Crudity of taste and Little Bethel, the distinguished marks of the lower middle-class, both in this country and Great Britain are sufficiently annoying. Compared, however, with the modern crude worship of money and power and the base imitation of the worst vices of the European rich they are almost venial. The material advance of the United States was more conspicuous both for intensity and rapidity than that of any other country. The material results of this advance, too, under circumstances which did not allow of the growth of a sufficiently well organized proletariat, were more conspicuous. Extravagance and ostentation among the rich reached such a pitch that the American millionaire class became a jest and by word for ostentatious vulgarity among the riotous lords of other countries. Tasteless and coarse expenditure such as was never before seen, not even when the cotton lords of Manchester exchanged their clogs for patent leathers and adorned their vivid drawing rooms with the manners of the slums, became the rule. The problems, incident upon the creation of great cities and a consequent slum proletariat, which beset other countries now began to press upon this land. Withal, there was but little public spirit with which these evils might be combated. Just as the masses had succumbed with almost incredible readiness to economic tyranny they also bent the knee with meekness to the political tyranny which naturally succeeded the economic. The economic fact again mirrored itself in the political. Concentration of political power became an unavoidable concomitant of the concentration of economic power. The contest

between the Senate and the President proceeded. The local governments of the individual states soon showed their impotence to deal with conditions which transcended the frontiers of their respective sovereignties. Thus the demand for Federal control and Federal interference grew in intensity as the necessity became obvious. The smaller capitalists, increasingly subjected to economic pressure succumbed, and at the beginning of the twentieth century were unable to offer even the futile resistance which they had made a decade before. The proletariat had not yet found itself politically, but it became more and more clear that it had a role to play, if the country was to have any relief from the growing tyranny gradually imposed upon it through the concentration of economic power.

The war with Spain had been conducted during the presidency of William McKinley. He had come to be associated in the minds of large numbers of people with the politics of the great trusts. He was in fact the protegé and political instrument of Mark Hanna, who may be safely considered to be the ablest politician produced by the greater capitalism to the present time. His grasp of the situation is seen in the fact that he comprehended the necessities of the greater capitalism and at the same time was keen enough to detect the enemy with which it must come in contact. He foresaw, as few or perhaps none of his colleagues did, that the despised socialist agitation represented a growing threat to the domination of the greater capitalist and that the adoption of the tenets and policy of that agitation by the working class as a whole would bring about the downfall of that power which had been so skillfully and elaborately construct-

ed. The death of McKinley, at the hands of an assassin who foolishly considered that in this way he was avenging the wrongs of the people, prepared the way to power for a new man. With the advent of Theodore Roosevelt to the presidential chair much of the political strength of the greater capitalism was lost. The death of Hanna shortly afterwards was another blow to the dominant class. The government was the poorer for the lack of a real directing force and the departure of a sagacious statesman who really understood what was expected of him and what were the real purposes of American politics at the time of which we are writing. Mr. Roosevelt developed strange and incomprehensible ethical tendencies. He appears to be of the belief that government can be carried on by the application of copybook maxims. He is a sort of protestant minister, who finding himself in a position of power endeavors to rule a nation in terms of the pulpit. He has won enormous popularity owing to his possession of personal qualities which appeal to the masses and by his denunciation of the very obvious evils which arise from the concentration of wealth and the supremacy of the greater capitalism. He has not seen, however, that each epoch of social evolution has the "defects of its qualities" and that the evils which he deplores are inseparable from the existence of the greater capitalism. The facts as well as the fates are, however, against him and the logic of events is fast reducing him to the position which he is entitled to occupy, and which will, in the course of time, make the Roosevelt legend one of the most peculiar and sadly humorous episodes in American history. But with all his lack of comprehension as

to the real significance of the part which he is expected to play he may seriously and permanently affect the position of the country particularly in its foreign relations. He has a fixed idea of the importance of the share which the United States is destined to have in the history of the world. He seeks the recognition of the country as one of the Powers. His term of office has been signalized by the most flagrant departures from the old American idea of isolation. Here, indeed, the economic facts have obliged to a certain extent at least the adoption of the new policy. The development of the greater capitalism coupled with the ramification of high finance long ago rendered obligatory the entrance of this country into the circle of the Powers. Thus the very existence of the greater capitalism implied in itself the recognition of international capitalism and, what was not yet so clearly observed, also the recognition of the identity of the interests of the proletariat in the two hemispheres. The one of necessity implied the other. As the more fully developed organization of capital also brought about a more complete organization of labor so also the internationalization of capital of necessity implied also the internationalization of labor.

A curious twist moreover was given to an old American doctrine by the more recent economic developments. The Monroe Doctrine, which had been approved, partly on sentimental grounds by the people of this country at the time of its adoption, had been spoken of as a bulwark against the invasion of the weak American republics by powerful European monarchies. It was now to be used for the purpose of securing the exploitation of the Central and South

American doctrine by the later economic detailists of the United States. A notable instance of the more recent attitude of this country to the smaller republics on this continent is to be found in the treatment accorded to Colombia at the hands of Mr. Roosevelt. In 1902 an act was passed which authorized the President to negotiate for the property of the Panama Canal Company and for the control of so much of the territory of Colombia as the canal traversed. Colombia being dilatory in the matter of coming to an agreement, the State of Panama, under influences easily inferable from the circumstances, seceded. Forthwith President Roosevelt recognized the independence of the State of Panama, and forbade the Republic of Colombia to take any military steps to restore the revolted state to the union, and, having sent warships, actually landed marines, for the purpose of preventing any interference with the secession of the State of Panama. It has been pointed out that this action of the President was in flat violation of the treaty between the United States and the State of Colombia in 1846, by which the United States "guaranteed the rights of property and sovereignty possessed by Colombia over the territory of Panama." This behavior which would have probably been called treachery under other circumstances less pressing than those which confronted President Roosevelt, finds its sanctions in the necessities of that portion of the capitalists which holds the possession of the canal across the Isthmus essential to its interests. The same attitude with repect to the smaller republics has been observable on other occasions. Thus, the troubles which have arisen with respect to Venezuela have been

largely provoked by the manipulations of the Asphalt Trust, a malodorous association, which, after having been involved in numerous scandals with municipalities in this country, endeavored to obtain the assistance of the Federal government for its operations in Venezuela. In Santo Domingo this country has undertaken to accept certain responsibilities and to exercise certain rights of patronage which must of necessity result in the domination of the smaller republic by the United States. There is no question that the recent attitude of the United States to the smaller republics has had the effect of greatly alarming them. One result of the growth of the greater capitalism in the United States and its resultant policies has been undoubtedly the growth of a feeling of antagonism on the part of the minor states and of an apprehensiveness that this country must be regarded rather as a menace than as a protection to the free American States. That these results have followed quite unavoidably from the new economic conditions is undeniable, but it is equally undeniable that they have profoundly modified the old American conception of things. The Monroe Doctrine from a general "hands off" declaration to the world has come to mean "hands off for everybody, except ourselves." That this new attitude has not been without its effects upon the European Powers is sufficiently obvious. Germany, whose commercial and colonizing enterprise has been particularly marked in Argentina and Brazil, resents the modern application of the Monroe Doctrine, and there is little doubt that much of the irritation observable in the relations of the two countries is due to the rigid insistence upon the inviolability of the soil

of this continent from European invasion. The intervention of the United States, however, in disputes beyond her frontiers, and the evident desire of the political magnates that the country should be a "world-power" appears in contrast with the isolation doctrine apparently involved in a strict interpretation of the Monroe Doctrine. Thus, though the United States is fully prepared to employ the Monroe Doctrine for the purpose of maintaining her exclusive suzerainty in this hemisphere, and of extending her power over the smaller, and, as time may show, subject peoples, she is not by any means prepared to confine her political activities and ambitions to this hemisphere. Hence this country becomes more and more involved in the disputes of other countries. The results of recent American foreign policy have been summarized as follows by an English organ of the greater capitalism: "The principal underlying fact is the alteration which has taken place in the international position of the United States. It has definitely and deliberately emerged from the self-centered seclusion which constituted the ideal of Washington and Jefferson and assumed its rightful place among the great controlling organizations of the world." (London "Standard," 19th Feb., 1906). It is the boast of the admirers of President Roosevelt that he brought peace out of the Russo-Japanese War, a conflict between Russia and Japan for the control of the Oriental trade. Our envoys at Algeciras in 1906 busied themselves at a conference to settle the respective claims of Germany and France to precedence in the exploitation of Morocco. Armed intervention in China along with the military representatives of other powers launched us upon a

sea of fresh complications in the Orient. The desire to be a colonizing power with foreign possessions led to the conquest and annexation of the Phliippines. The result of the military changes of the last few years has been thus briefly summarized by Henry George, Jr.: "We have Germanized our army on the general staff principle, have increased the number of our regulars and, incidentally, incorporated our militia as practically part of them." The same tendencies as were to be observed at the beginning of the reign of the moneyed oligarchy still prevail, and must prevail because the vital necessities of the dominion class are interested in their prevaliing.

But while the luxury of the members of the dominant oligarchy has become a national scandal, and the efforts of the politicians to secure a position for the country among the Powers have been at once ludicrous and painful, the corruption in politics has been perhaps the most appalling of all the evils which the victory of the greater capitalism has brought in its train. The magazines and principal periodicals and newspapers of the country all through the earlier years of the twentieth century have been filled with accounts of the debauchery of the legislatures and municipal governments. The most elaborate details of the various agencies employed by the servants of these capitalistic interests were fully and completely described, but it is much to be doubted if the publication of these facts achieved any actual results. The community appeared to be paralyzed in face of an enemy against whose advances none of the ordinary precautions of politics were of the slightest avail. The specialization which has been so marked a feature of

the industrial life of the country was manifest also in the matter of political corruption. It is probable that there has never been a governing class in any country at any time which has commanded as effective service as the great American corporations and trusts. The zeal and ability of the politicians and managers employed by these institutions entitle them to the highest position in the rogue's gallery of politics. To their unscrupulous cunning and cynical knowledge of the weaknesses of men, particularly in a country where money is the only mark of distinction, they added readiness of resource and audacity of conduct. Their achievements are in their way as interesting and remarkable as are the deeds of the hired bravos of the Middle Ages or the Barry Lyndons of a later date. There is no opportunity here save to glance very briefly at some of the most conspicuous fields of their enterprise. There will be no difficulty experienced in following the details, however, for there is no lack of material. The monthly magazines exploited the wickedness of the ruling class and coined money out of the exposure of the degradation of the community and the machinations of organized capital. A sort of pride in the wickedness of their oppressors seems to have pervaded the people. The popular view of the matter was for the most part cynical, coupled with a certain wonder on the part of the old and more ethical Americans that such abominations could go unpunished and the country still maintain its existence. Public morality, in the political sense, ceased to be even expected. It is true that clumsy malefactors were occasionally detected and made to serve as public examples, not for their wrong doing, but because of their imprudence

and lack of astuteness. Everybody knew that the corporations and great money powers bought or forced the mass of undetected senators, congressmen and members of the state legislatures to do their will. The more sagacious recognized that there are discreetly hidden paths by which the forces of the plutocrats move to the conquest of the capitols whether in Washington or the individual states. The cynical asked why it should not be so. The power of organized wealth was during this whole period the only effective force in the community. No other power could even compare with it either in self confidence or in actual ability. The term "organized wealth" but feebly expresses the motive force of this conquering power. The men who had acquired this wealth or for whom it had been acquired and who controlled it moved as implacably as has the Muscovite foreign policy since the days of Peter the Great. Necessity compelled them willy-nilly to extend their powers. Great leaders, as many of them undoubtedly were, born organizers and directors of men, indomitable in their purpose and unlimited in their ambitions, they were compelled to spend their energies on the further accumulation of wealth and the building up of power which under the circumstances could not be called other than vulgar, and which, for its perpetuation, demanded the destruction of civic virtue. This, indeed, having been already sapped by the petty larcenous proclivities of the petty bourgeois was in no condition to withstand so gorgeous a suitor. An inquiry into the management of the great life insurance companies revealed the fact that the Republican party had received contributions to its political funds from the

three principal companies—the New York Life, the Equitable, and the Mutual. These contributions had been placed by the several managements of these companies without any notification to the policy holders whose money was thus expended without their consent. This is no place to examine the question of ethics as regards the relations of the directorates of these companies with their policy holders. It is enough to point out that the officers of the companies regarded the Republican party, the party of the greater capitalism, as primarily the protectors of the funds of the companies. Mr. Geo. W. Perkins, chairman of the finance committee of the New York Life Insurance Company, justified the payment of such contributions to political parties upon the grounds that "they believed that the integrity of our assets was thereby protected." It is evident therefore that the Republican party was regarded by financial leaders as the political protector of the great financial interests. It is obvious also that breaches of law on behalf of the great corporations were regarded leniently by the government as is shown in the case of Paul Morton, for a time Secretary of Navy. He, when traffic manager of the Topeka, Atchison and Santa Fe Railway, had confessedly broken the law against discriminating rates by giving rebates. This fact did not, however, affect his position as cabinet minister, nor did it interfere with the continuance of his friendly political relations with President Roosevelt. In fact the President rejected the advice of special counsel for the Department of Justice that contempt proceedings should be instituted against Morton, and the counsel thereupon resigned. The use of free railroad passes both

by members of Congress and members of the various state legislatures is very common, almost universal in fact, although the Interstate Commerce Commission has interpreted the law as forbidding the issuance of free passes to anyone. The effect which the financial power may have even over the Federal government is shown in the fact that the powder trust has the government practically by the throat. The following statement was recently made to a sub-committee of the Senate committee on appropriations: "This great country is wholly dependent in peace and war upon the gigantic trust that has an absolute and exclusive monopoly of the manufacture of all the powder that the government requires for offensive and defensive use." This is but one and very insignificant example of the power exercised by these aggregations of capital. Against their attacks the government appears to be practically helpless. Every legislative enactment is vitiated by the antiquated and indeed practically obsolete doctrines of property and contract, and the law is interpreted by the courts in terms which were applicable to earlier and elementary communities but are incompatible with the present condition of economic and social development.

The corruption of the state legislatures by the same forces as have operated to destroy the virtue, never too exalted, of the national government, is carried out by practically the same forces. In the individual states the great corporations are able to achieve their purposes more easily and more thoroughly than in the federal government. The limited area and the fact that certain specific capitalistic interests are in control of certain localities render the work of the organ-

izers of the capitalistic forces all the more simple. In some localities the railroad interest is supreme, and every department of the state government is practically under the control of this interest from the governor to the merest justice of the peace. Both houses of the legislature, the supreme court and the subsidiary courts, in fact the entire machinery, move at the bidding of the corporation in power. This is irrespective of the particular party which happens to occupy the seat of political authority at any given time, for the agents of the corporations carry on their work in spite of any artificial differences which political parties may set up in order to absorb the public interest and to draw away the attention of the electorate from the real points at issue. Sugar interests, railroad interests, Standard Oil, copper interests and a host of other great capitalistic interests dominate entire localities and impose their will upon the community. To add to the incubus, the municipalities are likewise controlled by minor trusts and monopolies which are no less severe in their demands and corrupting in their influence than are the larger interests which control the national and state governments. As a matter of fact, the majority of these smaller state and municipal corporations are mere offshoots and dependencies of the larger national and, in the cases of the sugar trust and Standard Oil, at least, international concerns. Among these smaller corporations may be mentioned those controlling the electric and gas-lighting of cities, the telephone service, the water-supply, sanitary reduction works and other enterprises of like character. Besides these may be enumerated contracting firms having a monopoly of street making and the erection of public

buildings, large firms conducting staple industries in certain localities, such as mining companies and large manufacturers of textile fabrics and other commodities requiring the employment of numbers of men, women and children and consequently having dependent upon them a host of retail dealers, saloon keepers and other small tradesmen.

The tyranny of the transportation and irrigation companies presses hard upon the farmers and fruit-growers in the rural districts and their brother monopolies press the middle class, storekeepers and others in the towns to the wall. The smaller manufacturers and tradesmen whose economic competition with the trust and larger capitalistic concerns is hopeless, also feel the strain. Hence the demand has arisen from these classes that the community should acquire those properties which are tersely but erroneously termed "public utilities." As early as the populist movement a demand was made by the farming class for the nationalization of the means of transportation. By the beginning of the present century the cry for state and municipal ownership of the "natural monopolies" had developed a very considerable volume of public sentiment, and it became obvious that the tendency to a sort of bourgeois collectivism would have a very marked effect for a time at least upon American politics. It will be noted, however, that this movement was in no sense revolutionary or even novel. The rights of property were carefully guarded by its middle class instigators. Thus, although the property of the great monopolistic corporations in control of the aforesaid "public utilities" was held subject to charters, which had been almost uniformly violated there

was little talk about preventing the companies from operating further under the terms of charters which they obviously did not respect. Such a course would have been considered an invasion of property rights, as generally understood, and as property-holders, even small property-holders, they could not afford to jeopardize their position. Moreover, the courts, as the creatures of the dominant corporate forces, could not have been found to warrant any such drastic proceedings. There is little question, too, that the greater capitalists would not oppose a limited amount of public ownership carried out with due deference to vested interest. This because the investment of their surplus capital in government and municipal bonds would bring them a rate of interest which they could not afford to despise in view of the falling rate of interest on invested capital due to the development of industry. Besides, the public ownership contingent in politics being composed of the middle and subjugated class have neither the political ability nor the vital energy necessary for the accomplishment of the task which they have undertaken. The brains of the smaller middle class have already been bought by the greater capitalists. Talent employed in the service of the chiefs of industry and finance can command better prices than can be obtained in the uncertain struggle for economic standing which members of the middle class have to wage. The road to professional and political preferment lies through the preserves of the ruling oligarchy whose wardens allow no one to pass, save servants in livery. Every material ambition of youth is to be gratified in the service of the oligarchy which shows, generally, an astuteness in the selection of tal-

ent that would do credit to a bureaucrat or a Jesuit. Under these circumstances it is not strange that the middle class has an ever increasing difficulty in finding the force and talent necessary to maintain its fight. The representatives gathered at conventions which seek public ownership as a remedy will as a rule be found to be men past middle life, who have failed in their personal fight in life. In addition to these, who are in a great number of cases lawyers in search of clients and influence, the farming element is represented. These farmers wish to compel the railways to lower the rates and thus enable them to dispose of their crops the more readily. It will be observed that this farming element contemplates no attack upon the present system of property or the present legal conceptions of contract. The farmers are satisfied, as far as human beings are ever satisfied, with existing conditions, if the transportation and irrigation monopolies cease to press them too hard. They will not tolerate an attack upon property notions because they are themselves owners of property; they have but little sympathy with the labor movement, because they are themselves employers of labor. In the number of the active advocates of the public ownership party there are also to be found a sprinkling of trades union leaders who are seeking political notice or who are naturally anxious to ally themselves with the class immediately above them. It will be noted, however, that the great masses of the working class hold themselves aloof from these middle class demonstrations from an instinctive feeling that these matters are of small concern to them. The instinct is correct.

An interesting commentary upon the value of the "public ownership" agitation is furnished in the letter of resignation sent by Joseph Medill Patterson, Commissioner of the Board of Public Works of Chicago, to Mayor Dunne of that city in March, 1906. In the course of that letter Mr. Patterson says: "I used to believe that many of the ills under which the nation suffers and by which it is threatened would be prevented or avoided by the general inauguration of the policy of public ownership of public utilities, but my experience in the Department of Public Works has convinced me that this policy would not be even one-fourth of the way sufficient." He says further, as showing the recognition in the mind of an honest bourgeois official of the cogency of actual facts: "Application to the state attorney evolved the fact that our present laws—passed in the interest of capital—make it no offence for capital, i. e. the privileged few, to steal from the community, i. e., the unprivileged many. . . . . I realized, soon after I took office that to fight privilege under the present laws would be a jest. The cards were stacked in its favor from the start; the dice were loaded and are loaded against the community. Hence of the insignificant little bit that I accomplished not one tithe of a tithe could have been accomplished through the law." Crude as are the above statements they are none the less valuable on that account. The lesson learnt by the ex-Commissioner of Public Works must be learnt by students of politics and economics and by the leaders of popular movements before any real progress can be made towards the solution of the problems presented by the growth of the greater capitalism.

The rule of the industrial lords has not only practically destroyed the middle class, but the working class has found itself powerless to cope with the onslaughts of organized capital. In spite of the enormous increase in the national wealth, the working class during the last decade lost in economic position, and again, as in the preceding epoch, the trades organizations were unable to prevent the decline in relative material wellbeing. The census returns make clearly evident the loss which has been sustaind by that class during the forty years since the close of the Civil War, the period during which the greater capitalism has practically imposed its rule upon the nation. In those forty years the values of manufactured products increased from $1,885,861,676 to $13,039,279,566. In the same period the amount paid in wages rose from $378,878,966 to $2,330,578,010. Wages therefore at what may be called the practical beginning of the greater capitalism in this country represented about thirty per cent of the value of the product, and at the end of forty years, during the greater part of which time an active trades union agitation has been carried on, they represented about seventeen per cent of the total product. So that under what is after all the only valid standard of comparison, the American laborer has actually lost ground. When we compare the actual average wage of forty years ago with that received at the present day, the differences will be found to be slight and the advantage in favor of the workingman of to-day largely illusory. Thus, the average wage in the decade ending 1870 was $377; in the decade ending 1880, $346; in the decade ending 1890, $445, and in the decade ending 1900, $436. Against the apparent rise

in wages must be set off an increase in the prices of staple commodities, which was most severely felt at the close of the decade 1890-1900 and thereafter. House-rent, butcher's meat, sugar, flour, and other staples all rose in price, some of them very considerably. At the present time, therefore, the lot of the American proletariat is by no means relatively satisfactory. Briskness of trade and the consequent comparative regularity of employment have contributed to conceal the actual conditions with which the proletarian will be confronted upon the inevitable ebb of prosperity. The position of the American worker has moreover suffered deterioration in other respects.

In spite of the enormous increase in the national wealth which rose from $65,000,000,000 in 1890 to $90,000,000,000 in 1900 the evils which are continually associated with a low grade economic development have actually grown in our midst. In the twenty years from 1880 to 1900, child-labor had increased fifty per cent, so that there are at least 1,700,000 children in the country engaged in gainful occupations. Conservative estimates of a more recent date place the number at more than two millions. About 125,000 young boys are employed in Pennsylvania, chiefly in the mines. In the same state 4,000 girls are at work and fifty per cent of these under thirteen years of age are engaged in labor all night. In Georgia the conditions of child labor in the textile factories are worse than the same conditions were in Lancashire seventy years ago, and there does not appear to be any public sentiment in that community to which an appeal can be made. There are no less than 5,000,000 women at work in the United States, of whom 2,000,000 toil in

factories and mills. The employment of women, which has been a constant phenomenon since the establishment of the machine industry and the growth of the greater capitalism has assumed proportions which are at the present time really threatening. The American male proletarian grows less and less able to maintain his family. This fact is tending to the abandonment of families by their male heads and a steady increase in the number of abandoned families as well as to a growing disinclination on the part of men to take upon themselves the burden of the married state. The married proletarian is obliged to call upon the assistance of his wife and children. So far has this state of things proceeded that it has been actually suggested that a solution of the problem of poverty for the working class might be found in the employment of both husband and wife in remunerative toil. All this is in spite of the fact that American industries are most carefully protected against competition with the "pauper labor of Europe." The intensity of modern labor too requires an increasing sacrifice of the reserve vital resources of the individual worker so that the age limit of employment tends ever lower. A proletarian has fewer chances of obtaining employment after he has reached the age of forty than heretofore, and in some industries, notably the steel industry, men of thirty-five do not easily find work. Savings bank deposits are frequently taken as a criterion of the conditionof the working class and the greatly increased amounts of such deposits are considered as testimony to the prosperity of that class. This theory, however, though long disputed by the exponents of the proletariat, has received a severe blow recently

at the hands of a practical expert. J. Hansen Rhoades, President of the Greenwich Savings Bank of New York, says in the Financial Supplement of the New York Times for 1896: "The huge deposits in the savings banks of the State of New York indicate a suspension of development in building and the holding of money for the time being as well as a disposition to use the banks for investment on good interest." He also speaks of the "constant and increasing pressure on the part of that portion of the public well able to take care of their own property to open accounts with the savings banks." From the proletarian standpoint, the following statement from the New York "People" is to the same effect: "The large amounts of deposits is no evidence of the workingman's prosperity. Originally the savings bank was the workingman's bank. To-day the oft repeated claim that the large savings bank deposits are an evidence and measure of working people's prosperity is a myth." The futility of the trades union movements as at present conducted in so far as that movement undertakes to advance or even to maintain the position of the working class is practically established. The proletarian has been whipped from pillar to post, in spite of his unions, which have, in many respects, been actual impediments to him, since they have operated in some measure to conceal from him the fact that he is losing ground. The machine industry in the hands of the greater capitalism has so far economically vanquished the laboring class in this country. The political and material advantages of accumulated wealth have been too much for the proletarian. It must be candidly admitted, too, that the latter has by no means done as

well as he might have done, even with all the odds against him. The working class has so far produced few leaders worthy of the name, and such as have stood out from the rank and file have in many cases shamelessly and unconscionably abandoned their work and have accepted political preferment even if they have not taken actual money from the hands of the enemies of their class. The history of organized labor in the United States has so far, it must be confessed, shown little superiority to that of organized capitalism. It is in both cases a sordid and dreary tale, and, in the case of organized labor, is unrelieved to a disappointing degree by the heroism and sentiment which have played such a conspicuous part in the labor movements of other countries. The cynicism of a civilization based on cash seems to have found its way into the bones of both capitalist and proletarian. The lingering remains of sentiment are apparently confined to those members of the smaller middle class who still persist in surviving with all the odds against them.

The weakness of this latterday trades unionism is apparent in the fact that the employing class now felt itself sufficiently strong not only to defend itself against the actions of the unions, but also to commence aggressive operations against the organized labor movement. An organized agitation sprang up in favor of the "open shop." This term is applied to the principle of allowing trades unionists and non-unionists to work together without discrimination. Such was the politic language in which the demands of the employers were framed, but it is obvious even to a casual observer of social phenomena that such a condition of affairs would have resulted in the extinction of the

unions and would have placed organized labor completely at the mercy of the employers. The latter made a plea of individualism and the right to make separate contracts with individual workmen. The petty bourgeois and reactionary character of the "open shop" movement is clearly seen in this fact. As we shall see later the greater capitalists had a much more sagacious view of the situation created by modern conditions. The chief organization made for the purpose of advocating and fighting for the "open shop" principle was called the National Association of Manufacturers. To supplement the work of this another organization called the Citizens' Industrial Association was afterwards formed. This second organization was made for the rough work of actual conflict with the unions and consisted of associations of employers formed for purposes of mutual protection and encouragement and to render more easy the furnishing of financial aid required during times of strike and stress. To what length this organization, which is more generally known as the "Citizens' Alliance," would venture to proceed may be seen from a glance at its activities in Colorado. Its immediate success may be learnt from the report of David M. Parry, President of the organization, in November, 1904. In this he stated that within the year one thousand factories had opened their doors to workmen without regard to their membership in unions. All over the country, and in the West, particularly, this association made itself felt. It won some victories and might have accomplished more, had it not been for the general cowardice and lack of real organizing force of the class from which it originated and of which it was the representative.

As it is, in spite of some local victories the organization does not appear to have the element of real strength. Trade jealousies and the fear on the part of retailers and small manufacturers lest they should offend numerically large bodies like the trades unions and earn their ill will have had considerable influence. Besides this movement could not escape the very essential drawback of all petty bourgeois movements that its membership is made up of individuals in a perpetual state of economic competition with each other. All these factors have conspired against the permanance of the Citizens' Alliance movement. Perhaps another and most important reason why the Citizens' Alliance will be found wanting in effectiveness as an ally of the capitalistic regime consists in the fact that wherever it has gained any particular headway, the result of its efforts has been to drive the workingclass into independent class politics. Nothing that produces such an effect can be regarded with any favor by the employing class and the strenuous activities of the Citizens' Alliance are not likely to meet with much favor at the hands of those who are occupied in furthering the interests of the oligarchy. However, apart from the actual value of the Citizens' Alliance as a fighting organization, the mere fact of its creation as an active and aggressively offensive force, is proof of the contempt into which the tactics of the American Federation of Labor had brought the working class economic movement.

Another sign of the determination to give battle to the trades unionists is to be seen in the organization of "strike-breakers" or "free companies" as they are sometimes called after their medieval prototypes.

These consist of bands of men regularly organized to proceed to any part of the country where their services may be demanded to take the places of men on strike. They are, in one sense, workingmen, but they are, generally speaking, a low variety of the proletariat. They are ready to sell their labor for the use of the capitalist against the recognized fighting force of the working class. There are said to be two bureaus in New York for the registration and organization of strike breakers. They have been thus described by a journalist: "Numbers of the adventure loving men are well to do, among them are some of really good education; as a class they average high as men to be depended upon to take risks and obey orders. Most of them are glad to leave good employment when a call comes, for the love of adventure irresistibly draws them." (Saturday Evening Post, November 5th, 1904). When the above was written, the statement was made that there were fifteen thousand men enrolled in New York who were ready to take strike-breakers' pay. It is very doubtful if any reliance can be placed upon these figures. On the contrary, there is every reason to think that they are grossly exaggerated. With respect to the character of the men engaged in this occupation, they are by no means the fire-eating paragons so graphically described. On the contrary, they are for the most part incompetent and degenerate ne'er-do-wells, whose presence, under the protection of the police and militia, only serves to make a show of activity in the works where they are employed. That there are desperadoes and ruffians in their ranks to whom murder is not by any means detestable is true enough. It is also unquestionable that there is a cer-

tain proportion of good workmen whom the cupidity and stupidity of the leaders of the trades unions have compelled to "scab" for very livelihood's sake. In the formation of strike-breakers' organization, the capitalists have taken advantage of the weaknesses and sins of the present trades union movement. Otherwise such a project would have been impossible of accomplishment, even to the limited degree in which it is now being carried on. Twenty years ago, as has been seen, the capitalists hired mercenary bands of Pinkertons to achieve their purpose in times of strike withal; now an attempt is being made to supply the enemies of the industrial proletariat from the ranks of the industrial proletariat itself, and to crush laborers organized under proletarian auspices by means of laborers organized under capitalistic control. One of the most notorious leaders of the "strike-breakers," Farley, has declared that during the nine years that he has been in the strike-breaking business, he has had from thirty to forty thousand men on his payroll. No particular reliance can, however, be placed on these statements. How far the strike-breaking enterprise is a practical success must necessarily be merely supposition except to those actually engaged in its organization, and they are not likely to disclose its secrets. It is evident, however, that any such organized attempt to supply the places of strikers must tend to make the operation of a strike confined to one craft or to a single locality all the more difficult, especially when coupled with the existence of a vast chronically unemployed mass which necessity drives to "scab" if assured of sufficient protection from the onslaughts of strikers.

Besides these active fighting agencies against

trades unionism, the capitalistic organizations also devised an intelligence bureau for the purpose of spying upon and keeping in touch with the leaders and plans of the trades unions. One company for example calling itself "The Corporation Auxiliary Company" undertook to provide men for the purpose of gaining access to the unions and practicing espionage in the interests of the employers.

All this aggressive action on the part of the capitalists did not fail to affect seriously the power and effectiveness of the pure and simple trades unions. Their value as a defensive means was much impaired and such reputation as still remained to them as offensive weapons was practically destroyed. Vast numbers of men during 1903 and 1904 returned to work under the conditions of the "open shop." In one case, that of the International Harvester Company at Chicago, seven thousand men went back beaten after a strike. In the car shops of the Pullman Company two thousand men agreed to accept a cut of from ten to twenty per cent. About the same time the Inland Steel Company, the Illinois Steel Company, the Republic Iron and Steel Company, and the concerns in the Chicago Metal Trades Associations succeeded in cutting wages, although the cost of living, as has been already pointed out had advanced considerably. About the same time the Carnegie Steel Company at Pittsburg issued an order to its superintendents instructing them not to give employment to men under thirty-five years of age in some departments, and fixed the age-limit at forty in others. A curious example of the perhaps unconscious flunkeyism of the scientists with respect to the requirements of the industrial capi-

talists is to be found in the fact that a year or two thereafter a certain Dr. Osler, a doctor of medicine of considerable repute, declared that forty years marked the practical limit of human usefulness. This remark finds a curious echo in Bernard Shaw's ridiculous statement in "Man and Superman" that every man over forty is a scoundrel. The Carnegie Company may therefore claim to have the support of both physician and satirist.

The fact that the trades unions had practically doubled their members between the years 1900 and 1904 had apparently no effect in stopping the force of the attack. An interesting example of the speed with which the courts respond to the needs of the capitalist class is seen in the decisions of the Supreme Court of the states of Illinois and Wisconsin to the effect that every agreement for the exclusive employment of trades union members is void. The bench was quick to take cognizance of the claims of the doctrine of the "open shop"as soon as it became apparent that its supporters could show any positive gains.

It will be remarked that while the greater capitalism derived such benefits as could be obtained from the losses of the trades unions in their struggles with the organizations and associations already mentioned, its chiefs were much wiser in their generation than the petty bourgeois who opposed the trades union movement. They recognized in the trades unions a force which they might use to their own advantage by the employment of proper diplomacy. The susceptibilty of the trades union chiefs to flattery and in some cases to corruption suggested a remedy superior to the use of force and disruption. It was obvious that labor

organization in some form or other was an absolute necessity against which it were folly to contend. To disrupt a labor organization, to get the "open shop" even, did not touch the fringe of the question. The men would certainly organize themselves afresh, for their association in daily toil imposed upon them the necessity of such organization. The idea that men were employed as single and individual units was the crassest stupidity contradicted by the very organization rendered necessary by the machine organization. The greater capitalism, with all its articulations and ramifications, its development as a social entity, its subjugation of the individual parts to the necessities of the organism, had been compulsorily brought into being as the result of economic forces. The chiefs, therefore, of the greater industry could well understand the necessity of labor organization. They were well content to have labor organized but it was their aim as statesmen of the capitalistic system to see that such organization of labor was subsidiary and incidental to the organization of the greater capitalism. To persuade the labor movement that it could work alongside of and in conjunction with the capitalist organizations was a feat worthy of the genius of the greatest of the capitalist leaders. The individual merchant or manufacturer could not afford to take this view. His existence was threatened by the great combinations. They, by virtue of their wealth, their superior equipment, their national orgainzation and their influence and association with the transportation monopolies, which enabled them to secure a discrimination of rates in their favor, were forever impinging upon the smaller individual producers. The latter were

ground between the upper and nether millstones. They could not afford the loss involved in a protracted strike and any gain on the part of their laborers implied a devouring of that small margin of profit which was constantly threatened by the encroachments of the corporations. The greater capitalism proposed to accelerate the work of destroying the individual small producers and traders with the help of the trades unions.

A tendency had been noticeable for some time on the part of the trades unionists and great capitalists notably in the railroad and coal industries, to come together and make an agreement with respect to wages and hours. The employers were thereupon assured of immunity from strikes and the disturbance of their business. The particular craft also which profited by this agreement could always plead its contract with the employer as an excuse for not coming to the assistance of other crafts which might be involved in a dispute with that particular employer. The principle of "collective bargaining," it will be observed, brought much power to the trades union chiefs and at the same time tended to break down the wall of antagonism which naturally exists between the employing and the working-class. From this point there was but a step to closer association between the lords of capitalism and the leaders of the labor organizations. Hanna had the boldness and the ability to take the step and by forming a joint society of laborers and capitalists to involve the latter with the former and to prevent the development of the warfare which threatened the country by their continued antagonism. To this end he organized the National Civic Federation, a body in which

representative capitalists and trades union leaders held joint conference. Its object as stated by Hanna was to create a better feeling between employer and employed and to prevent industrial warfare. This, if carried out, would on the one hand result in the subordination of the trades union movement to the greater capitalism, and on the other the prevention of what Hanna particularly dreaded, the formation of an independent political labor movement. A notable result of this action has been the tendency on the part of the chief political representative of the greater capitalism to intervene in labor disputes. President Roosevelt, for example, brought pressure to bear in the settlement of the great coal-strike. When in the spring of 1906 another coal strike was threatened, he wrote a personal letter to John Mitchell, the leader of the miners, and based his interference upon the ground that Mitchell was a member of the Civic Federation. Trades unionists and capitalists met at the same table and hostilities were apparently smothered in social intercourse. It is obvious however that the losers by this were the trades unionists who were subjected to much loss of dignity. They perhaps found some compensation in the association for there seems to have been a sort of epidemic of snobbery among the union leaders at that period. As a matter of fact the National Civic Federation was the most deadly and insidious foe that manaced the labor movement. All the active opposition of the various organizations heretofore examined becomes insignificant in comparison with the danger to an honest and free development of the proletarian organizations which lay in the flattery and seduction of its chiefs. The effect of this amalgamation of trades

unionism with the greater capitalism has been thus described by a very competent and clear observer of labor phenomena:—

"The corrupting and deadening influence of the Civic Federation alliance is spreading like a cankering sore ever into new fields. It is now plainly evident that the only road to preference and power within the American Federation of Labor lies through the capitalist-controlled channels of the Civic Federation. It is a spectacle unique in the annals of labor. Never before were the politics of the organization of labor determined around the mahogany tables of the master class." ("Plain Words to Socialists"—"Industrial Worker," March, 1906.)

There can be little question that the maintenance of these semi-official relations with the greater capitalism must in the long run tend to emasculate and destroy the force of the labor-movement. An injury is thus inflicted upon the working class, which is in the position of a litigant whose advocate is indulging in independent friendly approachment with the enemy. Social development, which requires the free play of all social and economic forces, is impeded. Of course, the institution of the Civic Federation met with the approval of the ethicists and the Falklands of the present day. These people are like Falkland, anxious to maintain an artificial *status quo,* and this cannot and, indeed, ought not to be maintained. The result would be a permanent oligarchy resting on a basis of proletarian retainers. The great mass of the working class, denied admittance to the favored and pampered unions, would be in much the same position as were the Roman farmers and artisans when the formation of the *latifundia* and the employment of slave labor on a large scale had deprived them of their landed possessions and their ability to make a living as free workmen. It is clear that no social progress is involved in

such a condition of affairs. A hard and fast "industrial feudalism" of the kind here suggested would result in national deterioration and decay. That there is a tendency on the part of the younger generation of American greater capitalists to regard themselves somewhat in the light of members of the Roman aristocracy is beyond question, and that the popularity of the works of Nietzsche in that class has contributed to as well as furnished evidence of that state of mind appears to be very probable. Given an exceedingly wealthy and politically powerful class, on the one hand, and on the other hand an organized proletariat whose leaders are willing and able to prostitute the working class movement in the interests of that wealthy class, and are at the same time eager to advance their own material and political well-being, and it will be readily seen that the conjunction of such phenomena is very threatening, not only to the future development of social and personal liberty in the country, but also to the liberties of the citizens at the present time. The future of the United States as a democracy rests in the hand of the working class. The middle-class has, as has already been shown, failed to hold its own, and is incapable of further serious struggle. Unless the organized working class keeps up a ceaselessly persistent fight, the liberties which are supposed to be the necessary concomitants of a democracy must be swept away.

As an example of the results of this inefficient and truckling trades union policy, the behavior of the dominant faction of capitalists in the State of Colorado may be mentioned. In each one of the periods of capitalistic development in the United States, some conspicuously illegal and outrageous attack has been made upon organized labor. In each one of these instances the safe-

guards which the law and the constitution have wrapped around the individual citizen have been torn away, and the members of labor organizations left at the mercy of their enemies. In the case of the Chicago labor troubles in 1887, which culminated in the hanging of several prominent agitators in behalf of an eight hour day, the principle of trial by jury was violated, and the illegality was so notorious that a subsequent Governor of Illinois released such of the convicted men as still remained in prison. In the American Railway Union strike of 1894, the principle of trial by jury was altogether denied, and new and strange legal means were employed to secure the conviction and puishment of the leaders of the working class. But in Colorado in 1904, the most elementary human rights were altogether disregarded, and men were subjected to outrages unheard of, except in a state of actual war, and only then, under conditions hardly compatible with the usages of modern warfare.

In the Colorado troubles a conspicuous part was taken by the Citizens' Alliance, and a brief outline of its actions will afford an illustration of the daring and brutality of that organization when circumstances combine to give it a position of power. A strike of miners and smelters occurred in that state. The Citizens' Alliance which was composed of the dominant capitalistic interests, railroads, mining and smelting, together with representatives of the "respectable" classes generally undertook to employ its social and financial resources in crushing out the strike. The whole political force of the state was at its disposal. These it employed in such a fashion as to nullify law, and to raise the question which almost passed into a slang expression, "Is Colorado in the United States?" Independent mine owners who em-

ployed union labor and acceded to the demands of the organization were driven out of business. The militia was called out without the least excuse and employed in the most brutal fashion. The property of individual citizens and of trades unions was destroyed forcibly and without any process of law; domiciles were invaded and searched without warrant; attacks upon the virtue of the wives and daughters of the union men occurred; men were thrown into prison without warrant of law and kept there without charges being filed against them; citizens were forcibly placed on trains and deported from the state under military escort; they were set down miles from anywhere and compelled to walk for refusing to abandon their unions; they were enclosed in bull-pens and tied to posts; prisoners were not even brought to trial, but were dismissed at the whim of the Citizens' Alliance without any chance of legal remedy for the outrages to which they had been subjected; officials were deprived of their offices by force and substitutes put in their places; judges who opposed the Citizens' Alliance, endeavored to set the machinery of the law in motion against these illegalities were driven off by mobs of militia and armed rapscallions. When the conflict was over and the unions had been crushed an attempt was made in some instances to substantiate the charges against the members of the unions, but in every case the prosecution failed miserably, and in very few instances did a trial take place. It is a striking commentary upon the condition of trades unionism throughout the country that these outrages could continue unavenged. With all its numerical force, the labor movement of the United States showed its lack of the essentials of solidarity and its incompetence. It must ever remain a disgrace to the

American labor movement that these Colorado miners suffered these outrages and indignities. No more complete commentary could be written upon the recent management of the trades union movement than the simple story of the reign of the Citizens' Alliance in Colorado. Besides, it will hardly be controverted that the tameness shown at the annual conventions of the American Federation of Labor, taken in conjunction with the lack of spirit displayed in the Colorado affair, are evidences of tendencies to decay in that body.

Among other factors which had their influence in disheartening the trades union movement, in its pure and simple form, may be noted the famous Taff Vale decision in England. This held the funds of a union liable for damages inflicted upon an employer by members of a union during a strike. The effect of this has been so marked that an effort has been made to offset it by fresh legislation in the British Parliament. A law suggested will be directed to the taking away of a right of action for the recovery of damages sustained by any person or persons by reason of the action or actions of a trade union. Although, the Taff Vale decision has, up to the present not been followed in this country there remains an ever present dread on the part of the unionists that it may become American law, and it is easily seen that under our system of government such a decision cannot be by any means so easily remedied as under the British system of parliamentary supremacy.

The ill-feeling between the unions and the militia has continued to grow, and the recent employment of the "citizen soldiery," particularly during 1903, has increased the dislike. This tendency to conflict between

unionists and militiamen has made itself felt in states as wide apart as Pennsylvania and Texas.

But with all the failure of the trades union movement, the working class showed an ever increasing tendency to enter the field of independent politics, and to shift the centre of conflict from the economic to the political field. This tendency was precisely the opposite of that contemplated or desired by the industrial lords. Hanna, writing in the National Magazine for January, 1904, made use of the following words: "The menace of to-day, as I view it, is the spread of the spirit of socialism—one of those things which is only half understood, and which is more or less used to inflame the popular mind against the individual initiative and personal energy which has hitherto been the very essence of American progress." That this apprehension was justified appeared in the following November, when over three hundred thousand votes were polled for Eugene V. Debs as presidential candidate of the Socialist Party. This party had succeeded in establishing a propaganda of very considerable scope and effectiveness throughout the country. Its papers increased in number and influence, and the reprints of German and English socialistic writings which had formerly furnished the chief literary material of the movement were augmented by matter of home production bearing more closely upon distinctly American conditions. Speakers multiplied, and the last vestige of foreign initiative vanished. Formerly the movement had been distinctly exotic; now a noticeably indigenous movement began to make itself obvious. This American movement is more vigorous, and in some senses more extreme than any which has hitherto appeared in Europe. The American conditions have naturally produced this

result. The vestiges of European feudalism still necessitate a certain "liberalism," and afford a neutral ground which can be occupied at least temporarily by the working and middle-classes. In this country, liberalism has had its day, and its ineffectiveness and self-destruction are very obvious. There is no middle ground, the working class is obliged to lock horns with the greater capitalism. Directly this condition arises, we are face to face, not with democratic reform, but with social revolution. The invasion of the field of politics by workingmen who intend to possess themselves of the government in order to carry out an economic programme which necessitates the continual dispossession of the capitalists of that which they have hitherto considered to be lawfully their own implies the overthrow of the present system—revolution in short. Herein is the very important distinction between what may be called the reform and the socialist movements. The former attacks the power of the greater capitalist, but attributes it to illegality. It would enforce the laws and thus, as it thinks, restore the pristine virtues of the American democracy. This is in fact the basis upon which nearly all latter day journalists and magazine writers who endeavor to supply the popular demand for attacks upon the greater capitalism base their arguments. The Socialist however denounces the entire body of law upon which the modern state rests. He considers it to be founded upon obsolete and worn out notions, false conceptions, in short, of society. These arose under conditions differing entirely from those which prevail to-day. So that to-day, as in the latter part of the eighteenth century, there is a conflict between two distinct and incompatible views of law and society. These views must necessarily clash.

There is no need to abolish the law which established itself upon the economic necessities of the founders of the Republic. It has already been abolished. It suffered the death penalty at the hands of the greater capitalism as those who trusted in its efficacy are compelled to admit. The Socialist movement, which is merely the political expression of the aspirations of the working class is therefore the product of the material conditions which have developed the greater capitalism. It is thus a natural phenomenon and not as the opponents of the dominant greater capitalism as well as the middle class writers and politicians endeavor to convey an artificial and imported agitation. It will be remarked that in Great Britain where the socialist movement was for many years exotic, there has been of late a very marked tendency in the same direction as in the United States. The labor vote at the last English elections amounted to about the same as the presidential vote at the last general election in this country. We may therefore consider it a probability, a certainty indeed, that the Socialist vote will continue to grow, and that the proletarian movement, whose feeble beginning have been traced in the preceding pages will assume an ever increasing and finally dominant importance in the politics of the country.

ANCIENT SOCIETY

A Revolutionary Book Which Proves that Wealth and Poverty Are NOT Natural and Necessary But a Passing Incident in the History of the Human Race.

The wage system, under which the capitalist takes all the earnings of the wage worker except a bare living, is very new. In most countries it is less than a hundred years old; even in England, where it first started, it is only two or three hundred years old.

Before it was the feudal system, where most of the people were serfs, working on land belonging to a lord, and giving the lord most of what they earned in return for permission to stay on the land. But that system started not much more than a thousand years ago.

Before that was the system of chattel slavery, where those who did the work were the personal property of the owning class, and could be flogged, tortured or killed if they did not labor in a way to satisfy their masters. But that system is only a few thousand years old. What happened before that?

Not long ago there was a very simple and conclusive answer to this question. It was that Adam was created exactly 4,004 years before the Christian era, so that there was no time before the beginning of slavery to account for.

But the study of the rocks that make up the earth's crust has within the last fifty years proved beyond a doubt that man has lived on the earth for a million years, perhaps much longer, but at least this length of time.

How did men live through all those countless years? It is a great question, and in answer to it a great book has been written.

There is just one American who is recognized by the universities of Europe as one of the world's great scientists. That American is Lewis H. Morgan, and his title to greatness is found in a book first published thirty years ago. Its title is: **Ancient Society; or, Researches in the Lines of Human Progress; From Savagery Through Barbarism to Civilization.**

There had been previous studies of the life of man before the days of written history, but Morgan's work revolutionized this science as completely as Darwin's works revolutionized biology or Marx's "Capital" revolutionized economics.

The underlying principle of Morgan's book is the law of historical materialism familiar to International socialists, namely, that always and everywhere the way people have supplied themselves with food and the other necessities of life has determined their way of living and their way of thinking.

Recognizing this principle, Morgan divides the various stages of human development, according to the development reached in industrial arts, into savagery, barbarism and civilization. Again he subdivides savagery into its lower, middle and upper status, and divides the period of barbarism in the same manner. The first part of the book is taken up with this classification, and with a study of the arts of life as developed in the various social stages.

Part II of the book is on the Growth of the Idea of Government. It is a clear, simple, fascinating story of the little groups of equals which were the first expression of man's social life on earth, ages before the idea

of property or of ruler and ruled had taken root. And it tells of the causes which finally brought about radical changes in these groups, and prepared the way for a State to guard the interests of the rising ruling class and keep the working class in subjection.

Part III tells of the Growth of the Idea of the Family, and it is the classic statement of a long series of vitally important facts without which no intelligent discussion of the "Woman Question" is possible. It traces the successive forms of marriage that have existed, each corresponding to a certain industrial stage. It proves that the laws governing the relations of the sexes have constantly been changing in response to industrial changes, and thus explains why it is that they are changing still. It shows the historical reason for the "double standard of morals" for men and women, over which amiable reformers have wailed in vain. It points the way to a cleaner, freer, happier life for women in the future, through the triumph of the working class. All this is shown indirectly through historical facts; the reader is left to draw his own conclusions.

Part IV tells of the Growth of the Idea of Property, and is more distinctly related than any other portion of the book to the usual propaganda of socialism. The greatest obstacle to the spread of socialist ideas is the dull, hopeless conviction on the part of the mass of toilers that things always have gone on about as now with rich and poor, owners and workers, exploiters and exploited, and that therefore they probably will go on so till the end of time. But this is a terrible mistake, or rather it was a mistake. It has been so thoroughly disproved that to repeat it now is a damnable lie. Here in this closing part of Morgan's work are the facts which prove it to be a lie.

Morgan's Ancient Society was published thirty years ago. A generation of scientists have fought over it, and the author's position has been sustained at every essential point. But the book has not yet been read by the class to whom it means the most, the class of those who live by their work.

The price has always been four dollars a copy, a price no laborer could afford to pay. Consequently the book, while famous among European scholars, has been unknown among American workingmen.

The copyright has now expired, and a socialist co-operative publishing house is publishing a new edition, from new plates, at a price which is not intended to bring in profits, but to give the widest possible circulation to the book.

There are 586 pages, in type like that used in this circular. The paper and binding are equal to that in our edition of Marx's Capital, the style of which has given universal satisfaction. We have fixed the retail price at **$1.50.** But our co-operative stockholders get the usual discount, that is to say, they buy the book at 90 cents postpaid, or 75 cents if they pay the cost of transportation.

To introduce the book at once to the widest possible circle of readers we are making a special offer that surpasses any we have ever before been able to make:

For **$1.50** we will mail **Morgan's Ancient Society** and will also send the **International Socialist Review** for one year. The price of the **Review** alone is a dollar a year, with no discount even to stockholders. This combination offer is open to stockholders and non-stockholders alike. There is no profit in filling orders at this price, but there is any amount of propaganda in it. You will think so when you have read the book.

Extra copies of this leaflet will be mailed free to any one who will promise to distribute them. Don't ask for more than you can put where they will probably be read.

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CAPITAL

A Critique of Political Economy

By KARL MARX

The Chicago Daily News of Feb. 12, 1907, says:

At last, after a lapse of years which is fairly astounding, the American reading public is to have its opportunity of reading the complete theory of Karl Marx as elaborated by Frederick Engels, and the first volume, containing the stated theory of capitalist production, appears as the first of four thick crown octavos. The translation is in the main that of Samuel Moore and Edward Aveling from the third German edition, but, in order to make it fully authoritative, it has been revised and amplified from the fourth German edition by Ernest Untermann. The well-known German title, "Das Kapital," appears in English as "Capital: A Critique of Political Economy," this specific volume being designated as "The Process of Capitalist Production." Of the style preserved in the translation into English too much can hardly be said. It is unusually bright and interesting, with evidences of humor and good-natured satire on nearly every page. Considering that it is a most serious treatise on political economy, "the dismal science" of Carlyle, and that it appeared originally in German, not a language which lends itself to a sprightly treatment of ponderous topics in most hands, the result is readable to a degree. The novice may therefore approach one of the most influential works of modern times without fear of being put to sleep by either the manner or the matter. For the rest, the print is large and unworn, the paper good and the book as compact as its size permits. The publishers deserve all praise for their enterprise.

Volume I, described in this notice, was published in December, 1906. Volume II, "The Process of Capitalist Circulation," translated by Ernest Untermann, is in press as this pamphlet is being printed, and should be ready about April 15, 1907. Price, $2.00 per volume, including postage.

Two Books By Karl Marx

The Civil War in France. By Karl Marx, with an Introduction by Frederick Engels. Paper, 25 cents.

On the 28th of May (1871), the last of the combatants of the Commune were crushed by superior numbers on the heights of Belleville, and two days later, on the 30th, Marx read to the General Council of the International the pamphlet in question, in which the historical significance of the Paris Commune is presented in short, powerful, and in such incisive and, above all, such true phrases as have never again been equaled in the whole of the extensive literature on the subject.—Engels' Introduction.

The Eighteenth Brumaire of Louis Bonaparte. By Karl Marx. Paper, 25 cents.

This is a history of the revolution of 1848 and the events from that time to 1851, when Louis Napoleon, by the famous "coup d'etat," established himself as emperor of France. Marx shows the economic causes and the conflicting class interests underlying the events related by conventional historians. These two works by the greatest of socialist writers are unique in the light thrown on the struggles of the new-born proletariat of Europe against superior force, and they are full of lessons for the coming conflict. Moreover, Marx's method of dealing with history and current events in these works is the best possible introduction to the essential socialist principle of historical materialism.

The Landmarks of Scientific Socialism (Anti-Duehring). By Frederick Engels. Translated by Austin Lewis. Cloth, $1.00.

The Anti-Duehring is a polemical writing by Engels, and although not generally known among English-speaking Socialists is in many respects the most valuable of Engels' works. It is the reply of the great student to a book issued by a university teacher, Eugene Duehring. This writer fancied that he had discovered a new brand of socialism, which differed in essential respects from the scientific socialism of which Marx and Engels were the exponents. Engels traverses the theories propounded by Duehring and in order to confute them is obliged to state the scientific socialist position. This is what makes the book so useful and indeed fascinating to the socialist student. It contains passages of the utmost value. Engels' clarity of reasoning is nowhere more apparent than in this volume. The light which he sheds upon the theories of Marx and himself is illuminative of much which must of necessity be obscure to those who are only familiar with the better known socialist works. This particular translation, and it is the only English translation, has aimed at presenting Engels' positive theories and to that end much of the somewhat savage polemical writing has been omitted. The book is improved thereby, as much of this writing is evanescent and a real detriment to the work as a whole. In it the philosophical basis of socialism receives a consideration which can not be obtained elsewhere. The dialectic philosophy which it is so hard for the average English reading student to become acquainted with is expounded. The treatment of economics and the exposition of the surplus value theory are masterly. Never has the socialist case appeared so strong as in this discussion.

The Ancient Lowly: A History of the Ancient Working People from the Earliest Times to the Adoption of Christianity by Constantin. By C. Osborne Ward. Cloth, two volumes, 690 and 716 pages. Each, $2.00. Either volume sold separately.

Before written history began, society was already divided into exploiting and exploited classes, master and slave, lord and subject, ruler and ruled. And from the first the ruling class has written the histories, written them in accordance with its own interests and from its own point of view.

To arrive at the real story of the life of the oppressed classes in ancient times was a task of almost incredible difficulties. To this work Osborne Ward gave a lifetime of diligent research, and his discoveries are embodied in the two volumes entitled The Ancient Lowly. He has gathered together into a connected narrative practically everything pertaining to his subject in the published literature of Greece and Rome, including in his inquiry many rare works only to be consulted in the great European libraries. But he did not stop here. Many of the most important records of the ancient labor unions are preserved only in the form of stone tablets that have withstood the destructive forces of the centuries and the author traveled on foot many hundreds of miles around the Mediterranean Sea, deciphering these inscriptions.

Perhaps the most startling of his conclusions is that Christianity was originally a movement of organized labor. The persecution of the early Christians is shown to have arisen from the age-long class struggle between exploiters and exploited. And the most dangerous thing about the book from the capitalist view-point is that the author does not merely make assertions; he proves them.

The Universal Kinship. By J. Howard Moore, Instructor in Zoology, Crane Manual Training High School. Cloth, $1.00.

Mark Twain writes: "The Universal Kinship has furnished me several days of deep pleasure and satisfaction. It has compelled my gratitude at the same time, since it saves me the labor of stating my own long-cherished opinions, reflections and resentments by doing it lucidly and fervently for me."

Send for The Universal Kinship. It may do the same things for you. It is a work on evolution by a thorough student of biology, who, by a strange coincidence, is also a master of literary style.

Jack London says: "I do not know of any book dealing with evolution that I have read with such keen interest. Mr. Moore has a broad grasp and shows masterly knowledge of the subject. And withal the interest never flags. The book reads like a novel. One is constantly keyed up and expectant. Mr. Moore is to be congratulated on the magnificent way in which he has made alive the dull, heavy processes of the big books. And then, there is his style. He uses splendid virile English and shows a fine appreciation of the values of words. He uses always the right word."

Eugene V. Debs says: "It is impossible for me to express my appreciation of your masterly work. It is simply great, and every Socialist and student of sociology should read it. I have carried it in my grip over the past few thousand miles and its essence is in my heart, and it has been a source of genuine inspiration to me."

PARTNERS WANTED

The publishing house which issues this book is not owned by a capitalist nor by a group of capitalists. It is owned by a constantly growing number of working people (1,640 in February, 1907) who have each put in ten dollars.

They get no dividends; what they do get is the privilege of buying books at half price. Moreover, they make possible in this way the publication of the real books of International Socialism at prices within the reach of laborers.

Whatever profit is made on these books is used to bring out more books, but our prices are so low that this does not provide more than a small fraction of the money that is needed

That is why we want more partners. A dollar a month for ten months will give you the privilege of buying books at special rates as soon as you have made your first payment. But by paying ten dollars at one time you can get a certain number of books free and special rates on your first order for other books.

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